

WASHINGTON REPORT

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washington report

CONGRESSIONAL NEWS

The first session of the 93rd Congress adjourned on December 22, 1973, after completing action on a number of bills of particular interest to readers, including the Rehabilitation Act of 1973, the Older Americans Comprehensive Services Amendments of 1973, and two bills making major improvements in the cash benefits structure for recipients of old age, survivors, and disability insurance as well as the new supplemental security income for the aged, blind, and disabled (SSI) under the Social Security Act. The new SSI program supplanted the federal-state public assistance program on January 1.

Although both the House and Senate completed hearings on extension of the Elementary and Secondary Education Act (ESEA), these bills continue to be worked on in executive session, with final Congressional action expected before June 30. The Senate-passed bill extending the Education of the Handicapped Act is being included in the bill extending and improving the ESEA. Other legislation of interest on which action can be expected during the second session of the 93rd Congress are the Javits-Wagner-O'Day Act and the Randolph-Sheppard Vending Stand Act. Additional improvements can be expected in the Social Security Act.

Social Security

After consideration in the closing days of the first session of the 93rd Congress of two bills amending the Social Security Act, the Congress passed and sent to the President on December 21 a bill increasing cash benefits for recipients of old age survivors and disability insurance (OASDI) and supplemental security income for the aged, blind, and disabled. The bill, H.R. 11333, was approved by the President on December 31 as Public Law 93-233.

H.R. 3153, a bill which was passed by the Senate on November 30 with extensive amendments to the Social

Security Act, remained in conference at adjournment with indications that the House Committee on Ways and Means would take up the more comprehensive changes it provided during the second session (see the December 1973 *Washington Report* for provisions of H.R. 3153).

Public Law 93-233 contains the following major provisions:

1. Increases cash benefits for OASDI beneficiaries by seven percent effective with checks received in April 1974, and by four percent effective with checks received in July 1974.
2. Increases the taxable wage base (the dollar amount of earnings on which Social Security taxes are paid) to \$13,200 effective January 1, 1974.
3. Alters the effective date for calculating automatic cost-of-living increases in OASDI benefits, so that they will become effective in June of each year with payments made in July if increases in the consumer price index warrant an increase.
4. Increases payments to beneficiaries of the new SSI program for the aged, blind, and disabled effective January 1, 1974 to \$140 for an individual and \$210 for an eligible couple, with a further increase effective with payments in July 1974 to \$146 for an individual and \$219 for an eligible couple.
5. Assures SSI recipients living with AFDC families (aid to families with dependent children) that the total family income will not be decreased owing to the new SSI program.
6. Assures SSI recipients of eligibility for food stamps through June 1974, unless state supplementation has already taken into account the cash value of food stamps pending further study by the Congress.
7. Defers the effective date of more restrictive administration of social services regulations until January 1, 1975, thus leaving the prior, more liberal regulations in effect.

8. Makes Medicaid mandatory for SSI recipients transferred from the aged, blind, and disabled federal-state public assistance caseload on January 1, 1974, if the state is making supplementary payments to these individuals.

9. Authorizes Medicaid coverage for new SSI recipients on an optional basis.

10. Authorizes Medicaid coverage for institutionalized individuals whose monthly income is up to \$420 at the option of the states.

11. As a means of upgrading standards of institutional care, provides for reduction of SSI payments in states which make supplemental payments to individuals in substandard institutions.

12. Prohibits payment of special Social Security cash benefits to individuals over age 72 who did not work in covered employment and who are now eligible for SSI benefits.

As a result of the projected increases in OASDI benefits, the average monthly benefit for a retired individual after the 7 percent increase will be \$173 and \$181 after the additional 4 percent increase. Benefits for a couple will be \$296 and \$310, respectively. The new minimum monthly benefit for a retired worker after the full 11 percent increase will be \$93.80 and for a retired couple \$140.70. The new maximum monthly benefit for a re-

tired individual after the full 11 percent increase will be \$304.10 and for a couple \$457.40.

Appropriations

Labor-HEW

Early in December, the Congress completed action on H.R. 8877, the bill making appropriations for the Departments of Labor; Health, Education, and Welfare; and related agencies for the fiscal year ending June 30, 1974. The bill was signed by the President on December 18, 1973 as Public Law 93-192.

As approved by the President, the bill contains appropriations totaling \$32.9 billion, an amount \$978 million higher than requested by the Administration. The Congress gave the President discretionary authority to cut \$400 million from the total appropriation, provided that no reduction greater than 5 percent is made in any single program. It should be noted that the fiscal year 1974 appropriation for vocational rehabilitation of the disabled was contained in a supplemental appropriation bill since Public Law 92-112, the Rehabilitation Act of 1973, was not enacted until H.R. 8877 was well along in the legislative process.

Items of particular interest to readers are covered in the table below.

	1973 Appropriations	1974 Request (in millions of dollars)	1974 House Appropriations
EDUCATION FOR THE HANDICAPPED	143.609	93.609	152.39
State grant programs (EHA-B)	50.0	—0—	50.00
Deaf-blind centers (EHA-C)	10.0	10.0	14.79
Early childhood projects	12.0	12.0	12.00
Specific learning disabilities	3.25	3.25	3.25
Regional resource centers	7.24	7.24	7.24
Innovation & development	9.91	9.91	9.91
Technology & communications	13.5	13.5	13.50
Special education manpower	37.7	37.7	41.70
VOCATIONAL EDUCATION			
Programs for students with special needs	29.8	20.00	20.00
PUBLIC LIBRARY SERVICES (LSCA I & III)	69.5	—0—	49.20
ELEMENTARY & SECONDARY EDUCATION	2,187.0	1,807.57	2,121.89
MATERNAL & CHILD HEALTH	252.63	244.20	244.20
Grants to states	125.67	217.95	125.67
Project grants	100.80	—0—	92.57

	1973 Appropriations	1974 Request (in millions of dollars)	1974 House Appropriations
Research & training	21.91	21.91	21.91
Direct operations	4.25	4.34	4.34
HEALTH SERVICES PLANNING & DEVELOPMENT	477.85	103.08	388.52
COMPREHENSIVE HEALTH SERVICES	249.61	346.98	348.23
COMMUNICABLE DISEASE CONTROL	80.17	65.66	68.25
HEALTH MANPOWER	448.36	271.20	439.96
NATIONAL EYE INSTITUTE	38.56	32.09	41.63
NATIONAL INSTITUTE OF CHILD HEALTH & HUMAN DEVELOPMENT	125.94	106.67	130.25
GRANTS TO STATES FOR PUBLIC ASSISTANCE	13,958.77	12,891.04	5,486.77
CHILD WELFARE SERVICES	46.00	46.00	50.00
SUPPLEMENTAL SECURITY INCOME	77.20	2,211.63	2,211.63
SRS GRANTS FOR THE DEVELOPMENTALLY DISABLED	35.46	31.96	42.75
State grants	21.71	21.71	32.50
Service projects	9.50	6.00	6.00
University affiliated facilities	4.25	4.25	4.25
SPECIAL PROGRAMS FOR THE AGING	195.6	195.6	200.80
AMERICAN PRINTING HOUSE FOR BLIND	1.69	1.81	1.81
OFFICE OF CHILD DEVELOPMENT HEAD START	435.07	443.80	434.60
PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED	.85	.84	.94

In its report accompanying H.R. 8877, the Senate Committee on Appropriations directed that at least \$2,000,000 of the grants to the states for public library services under Title I of the Library Services and Construction Act be used for library services to the handicapped. In the item for Communicable Disease Control, the Congress earmarked an additional \$585,000 for immunization, including rubella vaccine. The conference report on H.R. 8877 contains the following statement of interest to readers: "The conferees are aware that diabetes is a prime example of a disease which affects the work of many of the institutes. It may afflict the eyes, heart, brain, and muscular structure. The conferees urge the NIH (National Institutes of Health) to establish mechanisms to assure a coordinated program of research by the institutes concerned with the various aspects of diabetes."

With regard to the appropriation for the National Eye Institute, the conference report contains the following

statement: "The conferees are agreed that in the allocation of the increase over the amount proposed by the House, special attention should be given to diabetic retinopathy and macular degeneration, including central serous retinopathy."

As indicated above, the appropriations for programs under the Rehabilitation Act of 1973 for the fiscal year ending June 30, 1974 are contained in a supplemental appropriation bill sent to the President on December 21, 1973. The bill, H.R. 11576, was approved by the President as Public Law 93-245 on January 3. For grants to the states for vocational rehabilitation services, the appropriation is \$630,000,000, an increase of \$14,000,000 over the Administration's request. For innovation and expansion grants, the law appropriates \$29,000,000. For special projects to improve services to the severely handicapped, the law appropriates \$11,000,000 in addition to \$1,000,000 for a study of services to the severely disabled.

Despite the Administration's effort to phase out training of rehabilitation personnel by requesting \$8,000,000 for this purpose, the Congress approved an appropriation of \$15,572,000, which it expects to be added to training funds held over from fiscal year 1973 appropriations, bringing the total available to \$27,000,000. In addition, the law carries an appropriation of \$20,596,000 for research and demonstration projects. The Congress approved \$4,000,000 for construction of rehabilitation facilities. There is an appropriation of \$1,000,000 to cover the operation of the Architectural and Transportation Barriers Compliance Board and the Office for the Handicapped still to be established in HEW, as well as a study of sheltered workshops and a study of the formula for allocating rehabilitation funds to the states.

Javits-Wagner-O'Day Act Hearings

The Special Studies Subcommittee of the House Committee on Government Operations held four days of hearings November 7, 8, 13, and 14 on H.R. 11143, a bill to extend the authorization of appropriations for the operation of the Javits-Wagner-O'Day Act, Public Law 92-28. The Act provides for preferential purchase by the federal government at a fair market price of products and services provided by workshops for the blind and workshops for the other severely handicapped. It assures a permanent priority in the purchase of products from workshops for the blind, which were covered by the original Wagner-O'Day Act of 1938, and assures a temporary priority until December 31, 1976 to these same workshops in the procurement of services by the government.

As introduced by Rep. Floyd V. Hicks (D-Wash.), chairman of the subcommittee, at the request of the Administration, H.R. 11143 would extend the authorization of appropriations without a dollar ceiling after June 30, 1974; change the name of the statutory committee administering the Act from "Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped;" and include "services" in the definition of "direct labor."

Representatives of a number of organizations testified in support of the bill and were questioned extensively by members and staff of the subcommittee. The following organizations testified: American Association of Workers for the Blind, American Foundation for the Blind, American Council of the Blind, Blind Veterans Association, California Association of Rehabilitation Facilities, Goodwill Industries of America, International

Association of Rehabilitation Facilities, Jewish Occupational Council, National Association for Retarded Citizens, National Easter Seal Society for Crippled Children and Adults, National Industries for the Blind, Northwest Association of Rehabilitation Industries, and United Cerebral Palsy Association.

In addition, representatives of the statutory Committee on Purchase of Products and Services of the Blind and Other Severely Handicapped; the Department of Health, Education, and Welfare; and the Department of Labor also testified in support of the bill.

In a joint statement in behalf of AAWB, AFB, and BVA, AFB's Washington representative advocated amendments which would change the name of the statutory committee administering the Act to "Committee for Purchases from the Blind and Other Severely Handicapped" in order to assure retention of the emphasis on serving the severely handicapped. Another amendment recommended by AFB would add an additional member to the statutory committee in the capacity of an individual knowledgeable about the employment problems of the other severely handicapped. Under present law, one committee member serves in this capacity on behalf of the blind and the other severely handicapped. Both the American Council of the Blind and the National Association of Retarded Citizens supported these amendments.

Many of the witnesses from organizations serving severely handicapped individuals were critical of the time it took the staff of the statutory committee to add items to the procurement list, particularly the procedure involved for National Industries for the Blind, the central nonprofit agency for workshops for the blind, to determine whether it would exercise its priority on behalf of those workshops.

The International Association of Rehabilitation Facilities recommended reconsideration of the statutory priorities. In its written statement IARF said, "We urge that there be a re-evaluation of the assignment of priority to Federal Prison Industries and to National Industries for the Blind."

Since many of the problems occurring in allocations of commodities and services to organizations serving the other severely handicapped seem to stem from a multiplicity of central nonprofit agencies, the hearings revealed that a single central nonprofit agency for allocating orders for the other severely handicapped was to be established with the aid of a grant from the Department of HEW. The new agency is to be called National Industries for the Severely Handicapped (NISH).

Final House Committee action on H.R. 11143 can be expected early in the second session of this Congress.

Randolph-Sheppard Hearings Concluded

The Subcommittee on the Handicapped of the Senate Committee on Labor and Public Welfare held three days of hearings on S. 2581, the Randolph-Sheppard Vending Stand Act Amendments of 1973. The hearings were held on November 16 and 19 and on December 6.

S. 2581 was introduced by Senator Jennings Randolph (D.-W. Va.), chairman of the subcommittee, for himself and a number of co-sponsors. The bill would assure expansion of the Randolph-Sheppard Vending Stand program through provision of vending facilities space in government buildings, gradual elimination of vending machines operated by government employees' organizations, and various appeals procedures to deal with grievances. (See the December 1973 *Washington Report* for a summary of S. 2581.)

A number of government agency witnesses testified at the hearings this time. These were representatives of the General Accounting Office, which had made a sample study of the vending machine problem as it affects the Randolph-Sheppard Vending Stand program; Rehabilitation Services Administration; General Services Administration, which controls a substantial number of government buildings; Department of Defense; and the U.S. Postal Service.

The following organizations of and for the blind were represented: American Association of Workers for the Blind, American Council of the Blind, American Foundation for the Blind, Blinded Veterans Association, District of Columbia Stand Managers Association, National Council of State Agencies for the Blind, National Federation of the Blind, and Randolph-Sheppard Vendors of America. In addition, the National Rehabilitation Association also testified in support of S. 2581 with minor amendments.

Government employee groups were represented by witnesses from the American Federation of Government Employees, AFL-CIO Government Employees Council, American Postal Workers Union, and National Association of Letter Carriers.

Many of the government witnesses objected to different provisions of the bill, while government employee representatives indicated a more conciliatory attitude toward developing an effective compromise of major differences than had been the case at hearings in previous years. It is expected that the Senate will complete action on S. 2581 by the spring of 1974.

EXECUTIVE BRANCH NEWS

Food Stamp Eligibility for SSI Recipients

States will be required to determine the eligibility of supplemental security income (SSI) payments for food stamps and surplus commodities under a regulation announced by James S. Dwight, Jr., administrator of HEW's Social and Rehabilitation Service (SRS). The regulation became effective January 1, 1974, the date of implementation of the SSI program.

Public Law 93-86 (the Agricultural and Consumer Protection Act of 1973) has restored the eligibility of certain SSI recipients for food stamps and surplus commodities. Under this law an SSI beneficiary can receive food stamps or surplus commodities when the amount of the cash assistance payment he would have received under a state plan in effect in December 1973, plus the July 1973 bonus value of food stamps, exceeds his actual SSI payment plus any supplementary state payment. Public Law 93-233 further clarified eligibility of SSI beneficiaries for food stamps. (See *Social Security* item on page 1.)

SSI Program Under Way

According to HEW Secretary Weinberger, 36 states have asked the Social Security Administration to handle state supplemental payments for them under the new Supplemental Security Income program for the aged, blind, and disabled (SSI), or to make Medicaid eligibility determinations on behalf of the state.

Of the 36 states that have signed agreements with the federal government, 20 want the government both to administer state supplements to the federal payments and to make their Medicaid determinations; 11 want the government to administer the state supplemental payments only; and five more want the federal government to make eligibility decisions for Medicaid benefits even though they administer their own supplement. The other 14 states will handle both their own supplemental payments and determinations of Medicaid eligibility.

The Secretary described the achievement of the state contract signings as a "model of state-federal partnership" and "one of the greatest civilian administrative challenges in the history of the country." He especially expressed appreciation to the governors and state legislators who were instrumental in completing state agreements.

"Over 80 percent of all the people who will receive state supplements to the federal payments live in the

states that have chosen federal administration," the Secretary said. The other 20 percent live in the 19 states that decided to handle their own supplemental payments.

"This part of the law was intended to secure the economies of large-scale operations, and I am glad the most populous states have agreed to this method," he added. "The Social Security Administration will be able to keep track of people's eligibility under both the federal and the state programs. This, and issuance of the combined checks through the same Treasury-HEW operation that has been so successful in the delivery of Social Security checks, mean important economies for the future."

The new program—part of the 1972 Social Security Amendments—will be administered by Social Security offices in communities throughout the nation. Beginning January 1, 1974, SSI replaced the present state and local programs of public assistance to the needy aged, blind, and disabled. People in these categories will now receive basic payments from the federal government to assure them total income of at least \$140 a month for an individual and \$210 for a couple.

Secretary Weinberger explained that under the new program any state whose present public assistance level is higher than the new federal level must supplement the federal payment to maintain the December 1973 income levels of present recipients or jeopardize its federal funds for Medicaid. The state may also decide whether to supplement the federal payments of those who are newly eligible under the federal law but are not now receiving the state public assistance.

If the federal government administers the state supplement, the government will guarantee the state against any increase over its 1972 assistance costs for the aged, blind, and disabled and will pay all administrative costs of the supplement. The state also has the option to extend Medicaid coverage to all new SSI beneficiaries.

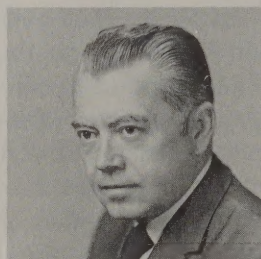
Under the new SSI program practically all of the aged, blind, and disabled people who received state public assistance payments in December received SSI checks in January. The Social Security Administration will administer the new program, but the federal money will come from general revenues, not from the social security trust funds. In the 31 states that have elected federal administration of the state supplement, the federal checks will also include the state payments.

The following table lists the states which have made agreements with the federal government for payment of

supplements to SSI or for Medicaid determinations as of January 1974:

Both Supplement and Medicaid	Supplement Only	Medicaid Decisions Only
1. Arkansas	Hawaii	Alabama
2. California	Illinois	Kentucky
3. Delaware	Indiana	New Mexico
4. District of Columbia	Kansas	Texas
5. Florida	Maryland	West Virginia
6. Georgia	Michigan	
7. Iowa	Minnesota	
8. Louisiana	Nevada	
9. Maine	Ohio	
10. Massachusetts	Utah	
11. Montana	Washington	
12. New Jersey		
13. New York		
14. Pennsylvania		
15. South Carolina		
16. South Dakota		
17. Tennessee		
18. Wisconsin		
19. Wyoming		
20. Rhode Island		

New Assistant Secretary/Comptroller



John D. Young, 54, a former Office of Management and Budget executive, has been named assistant secretary/comptroller for the Department of Health, Education and Welfare by Secretary Caspar W. Weinberger.

Mr. Young was with the Office of Management and Budget (OMB) in the Executive Office of the President since April 1966. His most recent post, which he assumed in April 1973, was deputy associate director of OMB's Energy and Science Division. Earlier, he served as director and chief of the Economics, Science, and Technology Division and as assistant to the director of OMB.

Before joining OMB, Mr. Young served in various posts with the National Aeronautics and Space Administration from December 1960 until April 1966. His last job there was as assistant administrator for administration.

Other government posts held by Mr. Young include

those of both executive secretary and executive officer for the Office of Defense Mobilization from 1951 to 1954, special assistant to the administrator of the Federal Civil Defense Administration in 1951, and two years with the National Security Resources Board. He also served as a staff member of the President's Advisory Committee on Government Organization and the Committee on Reorganization of the Department of Defense in 1953.

Mr. Young worked for the management consulting firm of McKinsey and Company, Inc., from 1954 through 1960, becoming one of the firm's principal management consultants.

A native of Cortland, New York, he received his A.B. from Colgate University in 1941 and an M.S. in public administration from Syracuse in 1943. He is a candidate for a Ph.D. from American University.

Mr. Young has written articles on executive and financial management which have been published in periodicals such as *Nation's Business*, *Public Administration Review*, *Public Administration News*, and *International Institute of Administrative Sciences*.

He is a former president of the D.C. chapter of the American Society for Public Administration, and has lectured at various universities and colleges including George Washington, Colgate, St. Louis, Skidmore, Florida State, and the Department of Agriculture Graduate School.

He received the William A. Jump Memorial Award for outstanding public service in 1954, the NASA Medal for outstanding leadership in 1966, and the OMB Exceptional Service Award in 1973.

Women's Action Head

HEW Secretary Caspar W. Weinberger has appointed B. Ann Kleindienst, 41, director of the Women's Action Program, a policy analysis position covering HEW services to women throughout the nation.

Miss Kleindienst, a former consultant to the department in consumer affairs and decentralization, has long been associated with both action and study in matters of concern to minorities generally and women particularly.

"Policy development in this vital area," said the Secretary, "is a matter of prime importance since this department administers \$80 billion annually in more than 300 programs—all of them having an impact on women."

Besides the Women's Action Program, which deals with women as users of the services of department pro-

grams, HEW also administers the Federal Women's Program, which deals with women in relation to their roles as government employees.

A native of Gibson City, Illinois, Miss Kleindienst attended the University of Illinois and Loyola University. She received her B.A. in 1964 and her M.A. in sociology in 1965 from Washington University in St. Louis. Her graduate research included sex role and female occupation choices and federal programs and urban decision-making. She currently is working on her Ph.D. dissertation.

In 1972, while a senior partner of the Boston consulting firm of Ancon Associates, Inc., Miss Kleindienst was consultant to the Nassau County, New York Community Action Program and to a Hartford, Connecticut community health planning group to develop pre-paid comprehensive community health programs.

From 1969 to 1971, she was senior research associate for the Organization for Social and Technical Innovation (OSTI) in Newton, Massachusetts, dealing primarily with the Model Cities Program as a planning and evaluation specialist and project director.

She served earlier as director of planning for the St. Louis model city agency from 1968 to 1969.

Her publications include several on model cities affairs; *A Plan for Continuing Education Services* for the University of Massachusetts; *Women and Family Life* for the Department of HEW in 1972; and *HEW Accountability* in August 1973.

New HEW Executive Secretary

David H. Lissy, 30, former special assistant to the Secretary of State, has been named to head the Executive Secretariat of the Department of Health, Education, and Welfare.

As executive secretary to the department and special assistant to the Secretary, Mr. Lissy heads a staff responsible for coordinating action among departmental agency heads and assistant secretaries, monitoring policy development and implementation, and following through on secretarial decisions. Secretary Weinberger said that Mr. Lissy's achievements in highly sensitive, key positions at the State Department in the past few years make him eminently qualified to head this vital departmental nerve center.

Mr. Lissy served as senior special assistant in the immediate office of Secretary of State William P. Rogers from April 1972 to September 1973. In that post, he was principal reviewing officer of all departmental and diplomatic material directed to the Secretary, coor-

dinating secretarial proposals and managing the office. He traveled extensively with the Secretary of State.

Before that assignment, Mr. Lissy served as special assistant to the deputy under secretary of state for management, recruiting departmental personnel and advising on departmental management. From May 1969 to June 1970, he served as staff assistant to the President on personnel matters. He first served in Washington as a summer intern in 1964 to 1965 in the Washington office of Pennsylvania Senator Hugh Scott.

A native of Philadelphia, Mr. Lissy was graduated from Central High School, received his A.B. degree

cum laude from the University of Pennsylvania, where he majored in political science and was elected to Phi Beta Kappa. He received his law degree from the University of Pennsylvania Law School in 1968.

Mr. Lissy was named one of the five finalists for Young Man of the Year by the Philadelphia Junior Chamber of Commerce in 1971. He was a member of the Special Study Committee on College and University Students of the Philadelphia Federation of Jewish Agencies in 1968 to 1969 and a member of the Youth Commission, Philadelphia Branch, United Synagogues of America, during that same period.

Notice to Persons Receiving the Braille *Washington Report/Newsletter*

We regret any inconvenience caused by the lateness of the December issue of the braille *Washington Report/Newsletter*. Technical problems in production of this first braille issue caused the delay. We hope to be on time with future issues.

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washington report

CONGRESSIONAL NEWS

Javits-Wagner-O'Day Act Amendments

H.R. 11143, a bill extending the authorization of appropriations and otherwise improving the Javits-Wagner-O'Day Act, was passed by the House of Representatives on March 4 and sent to the Senate.

As passed by the House, the bill does the following:

1. Extends the authorization of appropriations for the administration of the program on an indefinite basis without a dollar ceiling, thus leaving the annual appropriation amount to the normal budgetary and appropriation process.

2. Shortens the name of the administering agency to Committee for Purchases from the Blind and Other Severely Handicapped.

3. Extends the requirement of 75 percent direct labor by blind or severely handicapped persons on commodities to cover services purchased by the federal government under the Act.

4. Expands the number of public members on the Committee for Purchases from the Blind and Other Severely Handicapped from three to five by designating one member as an individual conversant with employment problems of the blind, one as an individual conversant with employment problems of the other severely handicapped, and a third as a state director of vocational rehabilitation. Under the existing law, one committee member serves on behalf of the blind and the other severely handicapped.

The Javits-Wagner-O'Day Act, P.L. 92-28, provides for preferential purchase by the federal government at a fair market price of products and services provided by workshops for the other severely handicapped. It assures a permanent priority in the purchase of products from workshops for the blind, which were covered by the original Wagner-O'Day Act of 1938, and assures a temporary priority until December 31, 1976 to these

same workshops in the procurement of services by the government.

Elementary and Secondary Education Act Amendments

After nearly a full year of deliberations in hearings and executive mark-up sessions, the House Committee on Education and Labor reported H.R. 69, the Elementary and Secondary Education Act Amendments of 1974 (ESEA), for consideration by the full House of Representatives. The bill was reported on February 21, and although it consolidates several of the programs under the Act, it retains a categorical grants to the states and to local education agencies approach, in contrast to the bloc grant education special revenue sharing approach recommended by the Administration.

As reported by the Committee, H.R. 69 does the following:

1. Extends the Title I ESEA program (grants to local education agencies and grants for state-supported schools for the handicapped) for three more years, through June 30, 1977; updates its formula for the distribution of funds; and includes several improvements in its administration.

2. Conditionally consolidates seven categorical federal aid programs (school library programs, guidance and counseling, equipment programs, innovation programs, dropout prevention, health and nutrition programs, and aid to state departments of education) into two broad-purpose programs: library and instructional resources and innovation and support services. H.R. 69 retains the 15 percent earmark of appropriations for handicapped children under innovation and support services.

3. Extends the impact aid programs for aid to schools in federally impacted areas for one additional year.

4. Extends the Adult Education Act of 1966, under which adults are assisted to complete their secondary

school education, through June 30, 1977 with a 5 percent earmark for educational services to institutionalized adults, including individuals in federal, state, and local penal institutions and federal, state, and local institutions for the mentally and physically handicapped.

5. Creates a new community education program to provide recreational, education, and cultural services in accordance with the needs of the community through use of schools as centers for such activities, with planning grants authorized for FY 1975 and grants for operation of the program for FY 1976 and 1977.

6. Extends the Education of the Handicapped Act through FY 1976 with various improvements.

7. Extends the Bilingual Education Act through June 30, 1977.

8. Amends the General Education Provisions Act to reaffirm "as a matter of highest priority the nation's goal of equal educational opportunity, and declares it to be the policy of the United States that every citizen is entitled to an education to his full potential, without financial barriers, and limited only by desire and ability to learn;" prohibits delegation of the functions of the commissioner of education to officers not located in the Office of Education in Washington, D.C., unless expressly authorized by law or not disapproved by the Congress after such a plan has been submitted to it; requires the publication annually of a compilation of innovative projects assisted under programs administered in the Education Division of HEW.

9. Authorizes a study of the effects of late funding of education programs, a study of athletic safety, and a study of crime and violence in the nation's elementary and secondary schools.

10. Authorizes the calling of a White House Conference on Education in 1975.

H.R. 69 amends Title I of ESEA to place allocations for education programs for handicapped, migratory, and neglected or delinquent children in a new Part B with an allocation formula identical to the one used for grants to local education agencies. With regard to handicapped children in state-supported schools, the allocation formula specifies that each state shall receive 40 percent of the average per pupil expenditure in that state times the number of handicapped children in average daily attendance. In addition, the formula specifies a minimum allocation of 80 percent of the average per pupil expenditure in the United States and a maximum of 120 percent of the average per pupil expenditure in the United States. Handicapped children transferred from state-supported schools to local schools may continue to be counted for this purpose with funds transferred to

the local education agency by the state education agency. In addition, a state education agency shall provide assurance that each handicapped child counted will be provided with a program commensurate with his special needs.

Grants to state education agencies for state-supported schools for handicapped children continue to have a priority in financing if amounts appropriated for all of Title I are inadequate for full funding of that Title. However, the formula described above will govern the amount of the allocation to these schools for handicapped children. It is estimated that state-supported schools for the handicapped will receive \$61.7 million in FY 1975 as a result of the new formula, in contrast to \$85.8 million for the current fiscal year. The Senate bill amending the ESEA, S. 1539, which is now pending before the full Senate Committee on Labor and Public Welfare, does not alter the formula for Title I allocations.

In contrast to the Senate, which passed S. 896 in June 1973 to extend and improve the Education of the Handicapped Act as a separate piece of legislation from the broader ESEA amendments, H.R. 69 included changes in this Act. As reported by the House Committee on Education and Labor, H.R. 69 amends the Education of the Handicapped Act as follows:

1. Extends the National Advisory Committee on Handicapped Children through June 30, 1976.

2. Specifies that the Bureau for the Education and Training of the Handicapped (BEH) shall be headed by a deputy commissioner reporting directly to the commissioner of education and establishes five additional supergrade positions for the top staff of the Bureau.

3. Authorizes appropriations of \$50 million for FY 1974, \$65 million for FY 1975, and \$80 million for FY 1976 for grants to the states for the education of handicapped children.

4. Amends state plan provisions to require states to set forth policies and procedures to insure the education of all handicapped children and to insure that all handicapped children in the state in need of special education are identified and evaluated. In addition, the new requirement specifies that a detailed timetable for providing full educational opportunity for all handicapped children is established.

5. Authorizes the commissioner to make grants to and contracts with institutions of higher education, including junior and community colleges, vocational and technical institutions, and other appropriate nonprofit educational agencies for vocational, technical, post-secondary, or adult education programs for deaf and other handicapped persons.

6. Authorizes appropriations of \$7.25 million, \$12 million, and \$18 million, respectively, for FY 1974, 1975, and 1976 for regional resource centers.

7. Authorizes appropriations of \$10 million, \$15 million, and \$20 million, respectively, for FY 1974, 1975, and 1976 for centers and services for deaf-blind children.

8. Authorizes appropriations of \$12 million, \$24 million, and \$36 million, respectively, for FY 1974, 1975, and 1976 for experimental preschool and early education programs.

9. Authorizes appropriations of \$37 million, \$45 million, and \$52 million, respectively, for FY 1974, 1975, and 1976 for training special education personnel except for physical education and recreation personnel, for whom \$500,000 is authorized for each of these three fiscal years.

10. Authorizes appropriations of \$9.9 million, \$15 million, and \$20 million, respectively, for FY 1974, 1975,

and 1976 for research and demonstration projects in the education of handicapped children.

11. Authorizes appropriations of \$13 million, \$18 million, and \$22 million, respectively, for FY 1974, 1975, and 1976 for educational media services.

12. Authorizes appropriations of \$3.2 million, \$10 million, and \$20 million, respectively, for FY 1974, 1975, and 1976 for research, training, and model centers for children with specific learning disabilities.

H.R. 69 amends the General Education Provisions Act by adding a new Section 438 prohibiting discrimination against teachers who are physically handicapped. This provision was initiated by John F. Nagle, former Washington representative of the National Federation of the Blind, as a means of preventing discrimination solely on account of blindness against blind persons seeking employment as teachers in elementary and secondary schools. The new section reads as follows: "Section 438.

Fiscal 1975 Budget Requests

The President's budget for the fiscal year ending June 30, 1975 was submitted to the Congress on February 4. It contains a budget request of \$35.1 billion exclusive of trust funds for the Department of Health, Education,

and Welfare. The request for the Books for the Blind and Physically Handicapped program administered by the Library of Congress for FY 1975 is \$11,490,000, in contrast to \$9,894,000 appropriated for FY 1974.

Items of special interest to readers are listed in the table below.

	1974 Appropriated (In thousands of dollars)	1975 Requested
PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDI- CAPPED	975	1,270
COMPREHENSIVE MANPOWER TRAINING.....	1,350,000	2,050,000
COMMITTEE FOR PURCHASES FROM BLIND & SEVERELY HANDICAPPED	240	252
AMERICAN PRINTING HOUSE FOR THE BLIND.....	1,817	1,967
EDUCATION OF THE HANDI- CAPPED:	100,000	100,000
State grant program	60,000	50,000*
Deaf-blind centers.....	14,850	12,000
Early childhood projects.....	16,222	14,000
Regional resource centers	7,243	9,243
Innovation & development	9,916	9,916
Media Services.....	13,632	13,500
Special education manpower	40,000	38,000
Specific learning disabilities.....	3,250	3,250
COMPREHENSIVE HEALTH GRANTS TO STATES	90,000	90,000
MATERNAL & CHILD HEALTH:	266,000	266,000
Grants to states.....	133,000	244,000
Project grants	111,000	-0-
Research & training.....	22,000	22,000
NATIONAL EYE INSTITUTE	39,938	39,947
NIH DIABETES RESEARCH.....	10,900	11,900
NATIONAL CENTER FOR HEALTH STATISTICS.....	21,000	24,000

	1974 Appropriated (In thousands of dollars)	1975 Requested
REHABILITATION OF THE DISABLED:		
Basic state grants	630,000	670,000
Service projects**	52,600	13,900
Research & demonstration	20,096	20,000
Training.....	15,572	11,500
Grants for the Developmentally Disabled:		
State grants	34,748	30,875
Service projects	18,500	18,500
University affiliated facilities.....	4,335	4,250
CHILD WELFARE SERVICES	47,000	46,000
GRANTS TO STATES FOR PUBLIC ASSISTANCE (AFDC).....	7,515,876	8,066,525
SUPPLEMENTAL SECURITY INCOME (SSI).....	2,211,636	4,774,000
SOCIAL SERVICES.....	2,000,000	2,000,000
MEDICAID	5,256,000	6,537,000
SPECIAL PROGRAMS FOR THE AGING	322,636	202,600
HEAD START.....	392,000	430,000
GRANTS FOR PUBLIC LIBRARIES (LSCA I)***.....	47,000	25,000
(USDA) FOOD STAMP PROGRAM ...	2,495,651	3,984,919

*Included in proposed education special revenue sharing bill.

**The request for FY 1975 for the National Center for Deaf-Blind Youths and Adults is \$1.78 million, in contrast to \$600,000 appropriated for FY 1974.

***Includes \$2 million for library services for the handicapped.

No person in the United States shall, on the ground of a physical handicap, including blindness or severely impaired vision, be denied employment as a teacher in any applicable program."

The House of Representatives is expected to complete floor debate on H.R. 69 late in March, after press time for this issue. Among the amendments to be considered is a change in the formula for allocating funds under Title I of ESEA since the formula and method of counting eligible children will result in reductions of grants to local education agencies in large urban areas. Details of any changes made by the full House will be reported in the next issue. It is likely that the Senate will complete action on S. 1539, its version of the ESEA amendments, in time for details to be covered in the next issue.

EXECUTIVE BRANCH NEWS

HEW Deputy Assistant Secretary

Joan Hutchinson Miller has been named deputy assistant secretary for legislation for welfare and rehabilitation affairs in the Department of Health, Education, and Welfare. In her new post, Mrs. Miller will advise the Secretary on developing departmental legislative programs in the welfare area.

"Her demonstrated expertise in this field," said HEW Secretary Caspar W. Weinberger, "will benefit both the Department and those in need of assistance by getting top quality leadership in a key post developing our welfare programs."

Mrs. Miller joined the Department in 1971 and has served as a special assistant to the commissioner of the Community Services Administration and to the deputy administrator and the acting administrator of the Social and Rehabilitation Service.

A native of Maine, Mrs. Miller was graduated from the University of Maine in 1957 with a business major and an engineering minor. She was a partner in establishing a Maine home building and land development business and also was employed as a real estate broker.

Mrs. Miller served as a member of the Governor's Task Force on Intergovernmental Welfare Reorganization in 1967. She established and was the first chairman of the Maine Day Care Committee, chairman of the Citizens Advisory Committee to the state's Bureau of Social Welfare, and a lay member of the Appeals Board of the Maine Advisory Committee on Teacher Education and Certification.

Other activities include posts as president of the Maine Division of the American Association of University Women in 1965, legislative chairman of the American Association of University Women, and vice chair-

man of the Maine Educational Conference Board in 1968.

HEW Establishes Office for the Handicapped

HEW Secretary Caspar W. Weinberger has announced creation of a special Office for the Handicapped "to deal more effectively with the special needs of the nation's millions of handicapped citizens."

"I am pleased to take this important step to focus the Department's planning and resources more effectively on this vital area," Secretary Weinberger said. "The Office for the Handicapped will help the handicapped to develop their fullest human potential, to make the services they receive more effective and better coordinated, and to make the federal government more responsive to their needs."

The new office would be under the supervision of Stanley B. Thomas, Jr., assistant secretary for human development, who is also principal adviser to the Secretary for policy development related to special populations. Mr. Thomas said the Office for the Handicapped would do the following:

1. Prepare a long-range projection for the provision of comprehensive services to the handicapped.
2. Continually analyze the operation of programs for the handicapped and evaluate their effectiveness.
3. Encourage coordination and cooperative planning among programs serving the handicapped.
4. Develop ways to promote the utilization of research related to the handicapped.
5. Provide for a central clearinghouse for information and resources available to handicapped people.

Mr. Thomas announced that Wallace K. Babington, director of the Office of Mental Retardation Coordination in the Office of Human Development, has been named acting director of the Office for the Handicapped in addition to his regular duties.

Creation of the new office was authorized by the Rehabilitation Act of 1973.

New NIE Associate Director

Arthur E. Wise, 31, has been named an associate director of the National Institute of Education (NIE), Thomas K. Glennan, Jr., director of the Institute, has announced. Mr. Wise will direct NIE's Office of Research and Exploratory Studies (ORES).

He comes to NIE from the University of Chicago, where he was associate dean, Graduate School of Education; assistant chairman, Department of Education; and associate professor of education. He also has served as assistant director of research at the United States Military Academy, as an associate in education at the

Harvard Graduate School of Education, and as associate director of research, New England Education Data Systems.

Mr. Wise has more than 20 publications to his credit, including *Rich Schools, Poor Schools: The Promise of Equal Educational Opportunity*. The book, considered a significant and trend setting contribution to the issue of school finance, advances the theory that disparity of income among communities cannot be allowed to produce inequities in the funding of public school systems. He contends that inequality of public education is to some citizens a denial of equal protection under the law.

NIE is responsible for helping to improve American education through research and development. ORES has been assigned major responsibilities for building the capacity for research within NIE, conducting studies useful to policy makers, defining problems in education where research can be helpful, and developing new research programs.

VA Chief Medical Director

The reappointment of Dr. Marc J. Musser as chief medical director of the Veterans Administration has been announced by Donald E. Johnson, administrator of veterans affairs.

Originally named to the position January 5, 1970, Dr. Musser became the seventh chief medical director since the modern VA Department of Medicine and Surgery was established by law in January 1946. His reappointment, extending to January 1978, provides a tenure of service matched by only one predecessor: Dr. William S. Middleton was VA's chief medical director from 1955 to 1963.

As chief medical director, Dr. Musser will continue to direct the largest medical complex in the United States. The VA medical system includes 170 hospitals and 205 outpatient clinics, and employs 7,600 regular-salaried physicians as well as some 20,000 nurses.

The 63-year-old VA medical chief received his B.A. degree in 1932 and his M.D. in 1934, both from the University of Wisconsin. Following internship at Kansas City, Missouri, General Hospital, he completed his residency in medicine and neuropsychiatry at the University of Wisconsin and then joined the university's medical school faculty in 1938.

He returned to the university medical teaching staff following four years Army service in World War II, during which he attained the rank of colonel and commanded the 135th Medical Group overseas.

Dr. Musser first joined the VA in 1957 as a member of the Houston VA Hospital staff where he also served as

a professor of medicine at the Baylor University School of Medicine. Moving to the VA headquarters in Washington in 1959 to head all VA medical research, he later was promoted to direct both the agency's medical research and medical education programs. He then became, as deputy chief medical director, the number two man for the entire medical department.

In October 1966, he left VA to establish and direct the North Carolina Regional Medical Program and also to chair a steering committee providing coordination for all of the nation's 55 regional medical programs. In the four years prior to his 1970 return to VA as chief medical director, he also served as professor of medicine at the Duke University School of Medicine and the Charles Bowman Center of Wake Forest University.

Dr. Musser is a fellow of the American College of Physicians and a member of the Central Society for Clinical Investigation, the Central Clinical Research Club, the Central Interurban Clinical Society, the Texas Academy of Internal Medicine, and the American Medical Association. He is also a member of the Board of Trustees of the American Hospital Association and a past president of the Association of Military Surgeons of the U.S.

New PCEH Deputy Executive Director

Edward F. Rose, 43, has been named deputy executive director of the President's Committee on Employment of the Handicapped by Committee Chairman Harold Russell.

Most recently, Mr. Rose was the director of the Public Policy Employment Programs of the U.S. Civil Service Commission. In that position, he was responsible for the implementation of policy, procedures, and programs for the employment and advancement of handicapped workers and veterans in the federal government.

Mr. Rose has served for several years as a consultant on the Executive Board of the President's Committee and on its subcommittees on disabled veterans. He was cited by the President's Committee for meritorious service to the handicapped in 1965 and was the recipient of the Arthur S. Flemming Award in 1969 as an outstanding young man in the federal service.

As deputy executive director of the President's Committee, Mr. Rose will be responsible for the Committee's Washington staff and Committee programs with private and public organizations throughout the country which are designed to further employment opportunities for the physically and mentally handicapped in both public and private sectors.

Teacher Corps Head

Dr. William L. Smith, 44, has been appointed director of the Teacher Corps in the U.S. Office of Education, HEW Secretary Weinberger announced. He will administer the nationwide program which attracts and trains college graduates and undergraduates to work as teacher interns in schools serving disadvantaged children. The Teacher Corps encourages school districts, universities, and neighborhood communities to work together to provide each child the opportunity for maximum educational development.

Formerly acting associate commissioner for career education and acting deputy commissioner for development, Dr. Smith came to the Office of Education in August 1969. Since that time he has served as chief of its Career Opportunities Branch, director of its Division of School Programs, acting director of Teacher Corps and acting director of the Bureau of Education Personnel Development. In October 1972 he was named director of the National Center for Improvement of Educational Systems and associate commissioner for Educational Personnel Development.

Prior to joining the Office of Education, Dr. Smith was executive director of the Programs for Action Citizens in Education (PACE) Association, an independent organization which promoted educational innovation in 32 greater Cleveland public school districts. From 1963 to 1968 he served as principal of Ohio's largest junior high school, located in the Hough section of Cleveland.

A native of Boston, Dr. Smith has also taught social studies and served as a vocational placement and guidance counselor in a technical high school. As a social group worker in a settlement house, he directed social and athletic programs both for teenagers and adults at various age levels.

In 1972 Dr. Smith received the Educator of the Year award from the Phi Delta Kappa Chapter of Case Western Reserve University, a second Educator of the Year award from the Case Western Reserve University Graduate Alumni Association, and a Distinguished Achievement award from Charles Hayden Goodwill Associates, Boston.

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American Foundation for the Blind, Inc., 15 West 16th Street, New York, N.Y. 10011
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IRVIN P. SCHLOSS EDITOR

washington report

CONGRESSIONAL NEWS

Minimum Wage Increase

On April 8, the President approved P.L. 93-259, the Fair Labor Standards Amendments of 1974, which increases the minimum wage paid to various classes of workers on a progressive basis. Of particular interest to readers is the provision increasing the prevailing minimum wage under Sec. 6(a) of the Fair Labor Standards Act from \$1.60 an hour to \$2.00 an hour effective May 1, 1974, to \$2.10 an hour effective January 1, 1975, and to \$2.30 an hour effective January 1, 1976. As a result, the statutory minimum wage for handicapped workers employed in sheltered workshops, which is set at 50 percent of the prevailing minimum wage by Sec. 14 of the Fair Labor Standards Act, will be increased on May 1, 1974 to \$1.00, on January 1, 1975 to \$1.05, and on January 1, 1976 to \$1.15.

Javits-Wagner-O'Day Act Amendments

The Subcommittee on the Handicapped of the Senate Committee on Labor and Public Welfare held hearings on April 25 on H.R. 11143, a bill extending the authorization of appropriations and otherwise improving the Javits-Wagner-O'Day Act. The bill was passed by the House of Representatives on March 4.

As passed by the House, the bill does the following:

1. Extends the authorization of appropriations for the administration of the program on an indefinite basis without a dollar ceiling, thus leaving the annual appropriation amount to the normal budgetary and appropriation process.
2. Shortens the name of the administering agency to Committee for Purchases from the Blind and Other Severely Handicapped.

3. Extends the requirement of 75 percent direct labor by blind or severely handicapped persons on commodities to cover services purchased by the federal government under the Act.

4. Expands the number of public members on the Committee for Purchases from the Blind and Other Severely Handicapped from three to five by designating one member as an individual conversant with employment problems of the blind, one as an individual conversant with employment problems of the other severely handicapped, and a third as a state director of vocational rehabilitation. Under the existing law, one committee member serves on behalf of the blind and the other severely handicapped.

During the Senate Subcommittee hearings, Senator Jacob K. Javits (R.-N.Y.) objected to expanding the statutory committee by adding a state director of vocational rehabilitation and was especially critical of the language in the House-passed bill requiring the President to select that individual from among four state directors proposed to him by the Executive Committee of the Council of State Administrators of Vocational Rehabilitation. The Senate is expected to complete action on H.R. 11143 by early June.

The Javits-Wagner-O'Day Act, P.L. 92-28, provides for preferential purchase by the federal government at a fair market price of products and services provided by workshops for the blind and workshops for the other severely handicapped. It assures a permanent priority in the purchase of products from workshops for the blind, which were covered by the original Wagner-O'Day Act of 1938, and assures a temporary priority until December 31, 1976 to these same workshops in the procurement of services by the government.

Congress Focuses on Diabetes

On March 19, the House passed S. 2830, the National Diabetes Mellitus Act of 1974, after amending it from the version passed by the Senate on December 20, 1973. At press time, a conference had not been scheduled to reconcile differences between the two versions.

S. 2830 authorizes appropriations of \$500,000 and such additional sums as may be necessary for a 10-member National Task Force on Diabetes to develop plans for research, education, and professional training. As passed by the House, the bill authorizes appropriations of \$1 million for a 17-member National Commission on Diabetes for these same purposes.

The Senate bill authorizes a total of \$45 million for FY 1975-77 for Diabetes Research and Training Centers to be geographically distributed throughout the country. The House authorizes a total of \$22.5 million for the same fiscal years for this purpose.

Both bills authorize the establishment of a Diabetes Coordinating Committee at the National Institutes of Health to report on research progress. In addition, the Senate bill would create an associate director for diabetes at the National Institute of Arthritis, Metabolism, and Digestive Diseases.

Senate Elementary and Secondary Education Act Amendments

The Senate Committee on Labor and Public Welfare on March 29 reported S. 1539, the Education Amendments of 1974. On March 27, the House of Representatives had passed similar legislation, H.R. 69. At press time, the Senate was considering S. 1539 with proposed anti-bussing amendments likely to result in protracted floor debate.

As reported by the Committee, S. 1539 does the following:

1. Extends through FY 1978 all programs authorized by the Elementary and Secondary Education Act of 1965 and establishes fiscal year 1974 as the base period for future grants to local educational agencies (LEA) under Title I of the Act. With the assurance that no LEA will receive less than its FY 1974 grant, the bill modifies the formula to provide that appropriations over the 1974 base period will be allocated on the basis of 60 percent of the number of children from poverty-level families and 40 percent of the total number of children from AFDC families. *S. 1539 does not alter the existing formula for allocating funds to state-supported schools for handicapped children in contrast to the House-passed bill.*

2. Extends through FY 1978 grants for children in federally-impacted areas—areas of high concentration of military personnel or federal employees.

3. Extends the Adult Education Act through FY 1978.
4. Provides for various consolidations of education programs to simplify several formula grant programs and application procedures from the viewpoint of state educational agencies.
5. Establishes the National Center for Education Statistics.
6. Extends and improves the Education of the Handicapped Act by incorporating the provisions of S. 896, which was already passed by the Senate in June 1973.
7. Establishes a number of special programs emphasizing reading improvement.

A more detailed summary of legislation amending and extending the ESEA will be carried in a later issue after House and Senate conferees reconcile differences between H.R. 69 and S. 1539.

Excess Cost of Educating Handicapped Children

The Select Subcommittee on Education of the House Committee on Education and Labor held four days of hearings—March 6, 7, 18, and 22—on H.R. 70, a bill to provide for grants to the states to cover the excess cost of educating handicapped children over the cost of educating non-handicapped children. This bill is similar to S. 6, on which the Subcommittee on the Handicapped of the Senate Committee on Labor and Public Welfare held hearings in Washington early in 1973 and is continuing to hold hearings in various parts of the country.

Most of the witnesses testifying in support of H.R. 70 were chief state school officers or directors of special education. Since the bill would also foster deinstitutionalization of handicapped children, there were a number of witnesses concerned about the legal rights of handicapped children to an appropriate, free public education and commitment procedures.

Neither the Senate nor House subcommittees have yet ordered S. 6 or H.R. 70 reported for consideration by the respective full committees. Administration witnesses are generally opposed to the legislation owing to concern about its cost.

Rehabilitation Act Extension

On April 11, Rep. John Brademas (D.-Ind.) introduced H.R. 14225, a bill which would extend the Rehabilitation Act of 1973 (P.L. 93-112) for one year, with increases in various authorizations of appropriations. The principal purpose of the bill is to extend rehabilitation programs through June 30, 1976 in order to permit the present Congress to vote for an additional year of appropriations to implement the forward funding provision of the Act.

The authorization of appropriations for grants to the states for vocational rehabilitation is increased from \$680 million for FY 1975 to \$720 million for FY 1976. The authorization for innovation and expansion grants is increased from \$39 million for FY 1975 to \$40 million for FY 1976, while the authorization for research is increased from \$25 million for 1975 to \$30 million for 1976.

Other increased authorizations are for training of rehabilitation personnel, from \$27.7 million for 1975 to \$30 million for 1976 and for special projects and demonstrations, from \$17 million for 1975 to \$20 million for 1976.

In addition to the extension of programs, H.R. 14225 contains a major provision statutorily transferring the Rehabilitation Services Administration from the Social and Rehabilitation Service (SRS) to the Office of the Secretary of Health, Education, and Welfare. The Congress included a similar provision transferring the Administration on Aging from SRS to the Office of the Secretary in the Older Americans Comprehensive Services Amendments of 1973. Senator Lloyd Bentsen (D.-Tex.) has introduced a companion bill, S. 3381. No hearings in either the House or Senate had been scheduled on this legislation at press time.

EXECUTIVE BRANCH NEWS

New RSA Commissioner

On April 26, 1974 the President announced the appointment of Dr. Andrew S. Adams of Kansas City, Missouri, to be commissioner of the Rehabilitation Services Administration (RSA) in the Department of Health, Education, and Welfare. As a result of the Rehabilitation Act of 1973 (Public Law 93-112), the President is required to appoint the commissioner of RSA although Senate confirmation is not required.



Dr. Adams has served since April 1973 as deputy director of the Education and Rehabilitation Service in the Central Office of the Veterans Administration. From 1970 to 1973, he was superintendent of schools for Kansas City, Missouri. From 1966 to 1970, he was with Volunteers in Service to America (VISTA) as director of selection and placement and director of educational affairs.

Born on July 8, 1922, in San Francisco, California, Dr. Adams received an Associate in Arts degree from City College of San Francisco in 1942, a B.A. degree from the University of California at Berkeley in 1949, and a Ph.D. degree from the University of California at Berkeley in 1953. From 1942 to 1945, he served in the U.S. Army Air Corps and from 1946 to 1950, he played professional baseball.

Since 1952, he has taught at the primary, secondary, and university levels and has served as an administrator in several school districts in California and Las Vegas. He has also taught at the University of Virginia, University of Nevada, University of California, University of Missouri, and George Washington University in Washington, D.C. From 1961 to 1963, he was a County Planning commissioner in Santa Cruz County, California and from 1964 to 1965, he was chief of the Educational Programs branch of the General Services Administration.

In 1971, Dr. Adams received the Citation of Meritorious Service from the President's Committee on Employment of the Handicapped in appreciation of his exceptional contributions in furthering the employment of the handicapped. Dr. Adams has been a member and officer of many committees and groups dealing with rehabilitation activities, including the March of Dimes.

Russ Williams Wins Federal Award

Russell C. Williams, chief of Blind Rehabilitation at the Veterans Administration Central Office, has been named one of 10 outstanding handicapped federal employees for 1973. The award was presented on April 4 in Washington, D.C.

Mr. Williams lost his sight as the result of injuries received in combat while he was with the 83rd Infantry division in France in 1944.

Under his leadership, VA rehabilitation programs for blinded veterans have made great strides, increasing in size, scope, and effectiveness. He established the first of the agency's three Blind Rehabilitation Centers in 1948 at Hines, Illinois and was transferred to the VA Central Office in Washington in 1959 as chief of Blind Rehabilitation.

Mr. Williams' work through the years has resulted in today's widespread use of the "long cane" by the blind,

enabling them to travel and function independently and hold jobs.

More recently, he coordinated establishment by VA and the Blinded Veterans Association (BVA) of a joint program to aid blinded veterans. VA visual impairment services teams and field representatives of the BVA collaborate to encourage blinded veterans to accept the VA benefits and the many VA and community services available.

Mr. Williams also serves in an advisory capacity for VA-funded research and development of special reading devices, mobility aids such as the new laser cane, and other equipment to assist the blind.

Since VA's knowledge in the health care field is shared liberally with other government and private organizations, Mr. Williams' leadership has been highly effective in increasing the understanding of blindness and blind rehabilitation.

Born in 1918 in Auburn, Indiana, he was graduated from high school there in 1936. At central Normal College in Danville, Indiana, he was a letterman in sports. Following his college graduation in 1941, he coached and taught at the Dillsboro, Indiana, High School.

Mr. Williams and his wife make their home in Bethesda, Maryland. They have five sons, three of whom are in college. Mr. Williams' hobbies include bridge, bowling, fishing, swimming, and travel.

With the selection of Mr. Williams as a co-winner of this year's award, VA has had three employees selected as winners and three selected as finalists in the six years this program has been in existence.

HEW External Affairs Appointment

Nancy Porter, 34, former national representative in Washington for the Girl Scouts of America, has been named special assistant to the secretary for external affairs by HEW Secretary Weinberger.

In her new position, Miss Porter will represent the secretary as HEW's principal liaison with major national organizations who deal with or have an interest in HEW activities and programs. She will play a major role in HEW efforts to keep national organizations well informed on a continuing basis of program plans and legislative initiatives so that HEW can increase its responsiveness to these interest groups.

Miss Porter served as personal secretary to Massachusetts Senator Edward W. Brooke from 1962 to 1969, starting her service with him while he was Attorney General of the state. She later served as personal assistant to the chairman of the board for The Diebold Group, Inc., in New York from 1969 to 1970 and as staff assistant to the American Revolution Bicentennial Commission in Washington, D.C., in 1970 and 1971. From

1972 to 1973 she served as commissioner of the Bicentennial Commission under a Presidential appointment and was chairman of the Horizons '76 program committee.

In her position as the Girl Scouts national representative, she represented that organization with all the non-profit organizations, federal government departments, and agencies in Washington, the White House, and the Congress.

A native of Natick, Massachusetts, Miss Porter was graduated from the Walnut Hill School in Natick in 1956 and Bryn Mawr College in 1960 with an A.B. degree in Political Science.

Veterans Employment Service Director Appointed

Lewis D. Barton, 62, a long-time U.S. Department of Labor employee, has been appointed director of the Veterans Employment Service (VES), Manpower Administration, by Secretary of Labor Peter J. Brennan. The new VES director will plan and direct a positive national program to provide job counseling, placement, and training services to veterans, coordinating the efforts of the 2,400 local offices of the affiliated U.S. Employment Service. He will supervise directly a field organization of about 200 employees.

Mr. Barton's government career began in 1934 in Chester, Illinois, as an Employment Service manager with the old National Reemployment Service. From 1946 to 1949, he was assistant veterans employment representative for Illinois in the VES. He was transferred to the Labor Department in Washington, D.C. in 1949 to serve as director of Employer and Union Services in the old Bureau of Employment Security until 1962. He served also in a number of executive capacities in the development and implementation of new manpower and training programs.

Mr. Barton is a native of Inez, Kentucky and was reared in East St. Louis, Chicago, and southern Illinois. He was educated at Blackburn College, Washington University, U.S. Army Management School, and the Industrial College of the Armed Forces. He is a long-time member of the American Legion, Veterans of Foreign Wars of the United States, and American Veterans of World War II, Korea, and Vietnam.

Mr. Barton served in the Army from 1940 to 1946 in manpower, personnel, training, and logistics. Since 1957 he has held the rank of colonel in the Army Reserve with mobilization assignments to the secretary of the Army and chief of staff. He has the Army's Legion of Merit and the Republic of China's Special Breast Order of the Cloud and Banner for service in the China-Burma-India theatre during World War II.

New VA Chief Medical Director

The appointment of Dr. John D. Chase, 53, a Veterans Administration career medical official for 22 years, as chief medical director of the VA has been announced by Donald E. Johnson, administrator of veterans affairs. Dr. Chase succeeded Dr. Marc J. Musser when the present chief medical director retired in April.

The new chief medical director has been chief of the Medical Service and a senior physician at the Tacoma, Washington VA Hospital since April 1973. For nearly five years prior to his transfer to Tacoma he held two of the highest positions in VA's Department of Medicine and Surgery in Washington D.C. From 1968 to 1971, he served as assistant chief medical director for professional services; and from 1971 to 1973, he served as associate deputy chief medical director, the third ranking position in the medical department.

Education within the Bureau of Occupational and Adult Education (BOAE). The major responsibilities of his office will include the consolidation and development of all career education program activity and policy formulation.

Since serving first as an instructor in internal medicine at the Wayne University Medical School in Detroit from 1950 to 1952, Dr. Chase has been closely associated with academic medicine. He has been on medical school faculties at the University of Oregon, Baylor University, the University of Oklahoma, and George Washington University.

After obtaining his A.B. degree at Wabash College in Crawfordsville, Indiana, he received his medical degree at Western Reserve Medical School in Cleveland in 1945.

A diplomate of the American Board of Internal Medicine since 1953, he is also a fellow of the American College of Physicians and the American College of Chest Physicians.

Dr. Chase served two years on active duty as a physician in the U.S. Naval Medical Corps and later was active in the U.S. Army Reserve, attaining the rank of lieutenant colonel in the Medical Corps.

The vast medical program to be directed by Dr. Chase includes 171 hospitals and more than 200 medical clinics. It employs 7,600 regular-salaried physicians and some 20,000 nurses. The program includes the affiliation of 107 VA hospitals with 90 of the nation's leading medical schools and is responsible for the training of 67,000 health personnel annually, including about one-half of all doctors in America entering practice each year.

Basic Educational Opportunity Grants

Basic Educational Opportunity Grant Program application forms for the 1974-75 academic year are now available, HEW Secretary Caspar W. Weinberger has announced.

The Secretary urged all eligible students who began their post-secondary education after April 1, 1973 and are planning to enroll on a full-time basis for the 1974-75 academic year to obtain one of the new forms and apply for a Basic Grant.

"During the coming year," he said, "\$475 million will be used to assist an estimated one million students. Basic Grants will range from \$50 to over \$800, with an average of \$475 per student."

These grants can be used to help defray the costs of tuition, fees, room, board, and miscellaneous expenses for students attending over 5,000 eligible colleges, universities, and junior colleges, as well as vocational, technical, and career training schools and hospital schools of nursing.

To apply for a Basic Grant, an "Application for Determination of Basic Grant Eligibility" must be obtained, completed, and mailed to P.O. Box 2468, Washington, D.C. 20013. Within a month the student will be notified of his eligibility index, which is calculated on the basis of a formula applied consistently to all applicants. He then submits the notification to the school of his choice, which calculates the amount of his Basic Grant.

Application forms may be obtained from high school guidance counselors and student financial aid officers at institutions of post-secondary education. During the summer months they will also be available at public libraries or by writing to P.O. Box 84, Washington, D.C. 20044.

Other forms of federal student assistance, such as Supplemental Educational Opportunity Grants, College Work-Study, and National Direct Student and Guaranteed Student Loans are available in addition to Basic Grants. A student may also be eligible to apply for state or private sources of aid.

Receipt of a Basic Grant in no way limits a student's chances to obtain other financial assistance as long as that student needs additional aid to pursue his post-secondary education.

HEW Aids NISH

A \$200,000 grant to establish an office in Washington, D.C. for the newly-created National Industries for the Severely Handicapped (NISH) has been announced by HEW Secretary Caspar W. Weinberger.

The organization for the severely handicapped will be a focal point for efforts to assist in obtaining government contracts under the Javits-Wagner-O'Day Act for sheltered workshops employing severely handicapped persons and will be a counterpart of National Industries for the Blind, which has served workshops for the blind in a similar capacity for many years.

With HEW's Rehabilitation Services Administration assuming the coordinating role, participants in NISH will be the following six nonprofit agencies: Goodwill Industries of America, International Association of Rehabilitation Facilities, Jewish Occupational Council, National Association for Retarded Citizens, National Easter Seal Society for Crippled Children and Adults, and United Cerebral Palsy Associations. All of these organizations have workshop affiliates.

NISH is intended to be the central nonprofit agency designated by the Committee for Purchase of Products and Services of the Blind and other Severely Handicapped to assist the workshops in expanding their capabilities for providing commodities and services to the government under the Javits-Wagner-O'Day Act.

Career Education Chief

Kenneth B. Hoyt, 49, has been appointed associate commissioner for career Education in HEW's Office of Education.

A full professor of education on leave from the University of Maryland under the Intergovernmental

Personnel Act, Dr. Hoyt will direct the Office of Career

Since joining VA in July 1952, Dr. Chase has been on VA hospital staffs in Vancouver, Washington, Portland, Oregon, and Long Beach, California. He also served as chief of staff of the Houston VA Hospital and then as director of the VA hospital in Oklahoma City.

Dr. Hoyt came to the University of Maryland in 1969 from the University of Iowa, where he served since 1954. He has held previous teaching positions at the University of Minnesota and at high schools in Maryland from 1947 to 1949.

A graduate of the University of Maryland at College Park in 1948, he received an M.A. in counseling and guidance from George Washington University in 1950 and a Ph.D. in educational psychology from the University of Minnesota in 1954. Dr. Hoyt has served as a consultant to various government agencies and other organizations, including the U.S. Office of Education, U.S. Department of Labor, Army Ordnance Corps, National Institute of Education, and Brookings Institution. In 1966 to 1967, he served as president of the American Personnel and Guidance Association.

Among his many special honors, Dr. Hoyt received both the Distinguished Service Award of the Association for Counselor Education and Supervision and the Outstanding Service Award of the American Vocational Association. He was head of the American Delegation to the 1967 Conference of the International Association for Education and Vocational Guidance in Vienna, Austria.

Washington Report is published bimonthly by the American Foundation for the Blind to report Congressional activity on legislation affecting blind persons and those who work with blind persons, as well as the action of the federal agencies in administering related programs. AFB national headquarters are at 15 West 16th Street, New York, N.Y. 10011, (212) 924-0420. The AFB Washington Office is at 1660 L Street, N.W., Suite 213, Washington, D.C. 20036, (202) 293-1870. All material appearing herein may be quoted in whole or in part provided credit is given the source.

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IRVIN P. SCHLOSS EDITOR

washington report

CONGRESSIONAL NEWS

Nutrition for the Elderly

On June 27, the Senate agreed to a House amendment to H.R. 11105, a bill extending the Nutrition for the Elderly program under Title VII of the Older Americans Act, thus clearing the bill for the White House. The President signed the bill on July 12 as P.L. 93-351.

The major provisions of H.R. 11105 include the following:

1. A three-year extension of the Title VII Nutrition Program at a \$600 million funding level (\$150 million for FY 1975, \$200 million for FY 1976, and \$250 million for FY 1977). The new authorizations under Title VII will be allocated on the basis of the percent distribution of the 60-plus population in each state.

2. A \$35 million authorization for FY 1975 for the Title III State Area Programs on Aging to provide supportive transportation in connection with nutrition projects.

3. The commissioner on aging would be prohibited from delegating his authority to persons not directly responsible to him.

4. A change in the cost-sharing schedules for local contributions for the Retired Service Volunteer Program (RSVP) to not more than 10 percent for the first year, 20 percent for the second year, 30 percent for the third year, 40 percent for the fourth year, and 50 percent for all subsequent years.

Javits-Wagner-O'Day Act Amendments

On June 13, the Senate passed H.R. 11143, the Javits-Wagner-O'Day Act Amendments, which was passed by the House of Representatives on March 4. The Senate amended the House-passed bill by eliminating the 16th member of the Committee for Purchases from the Blind and Other Severely Handicapped designated

to be a state vocational rehabilitation director and returned the bill to the House.

As passed by the Senate, the bill does the following:

1. Extends the authorization of appropriations for the administration of the program on an indefinite basis without a dollar ceiling after July 1, 1974, thus leaving the annual appropriation amount to the normal budgetary and appropriation process.

2. Shortens the name of the administering agency to Committee for Purchases from the Blind and Other Severely Handicapped.

3. Extends the requirement of 75 percent direct labor by blind or severely handicapped persons on commodities to cover services purchased by the federal government under the Act.

4. Expands the number of public members on the Committee for Purchases from the Blind and Other Severely Handicapped from three to four by designating one member as an individual conversant with employment problems of the blind and one as an individual conversant with employment problems of the other severely handicapped. Under the existing law, one committee member serves on behalf of both the blind and the other severely handicapped.

It is expected at this writing that the House of Representatives will accept H.R. 11143 in the form passed by the Senate and clear the bill for approval by the President around the middle of July.

The Javits-Wagner-O'Day Act, P.L. 92-28, provides for preferential purchase by the federal government at a fair market price of products and services provided by workshops for the blind and workshops for the other severely handicapped. It assures a permanent priority in the purchase of products from workshops for the blind, which were covered by the original Wagner-O'Day Act of 1938, and assures a temporary priority until December 31, 1976 to these same workshops in the procurement of services by the government.

ESEA Amendments

Senate and House conferees have resolved all of the major differences except busing in their respective versions of H.R. 69, the Education Amendments of 1974, which extends the Elementary and Secondary Education Act of 1965 for four years through June 30, 1978.

Of major interest to readers is retention in conference of an amendment offered on the Senate floor by Senator Charles McC. Mathias, Jr. (R.-Md.), which amends Title VI-B of the Education of the Handicapped Act to provide \$630 million for the fiscal year ending June 30, 1975 in grants to the states for the education of handicapped children. This amendment was prompted by a court decision in Maryland requiring an appropriate free public education of all handicapped children in the state and similar court actions in other states.

Conferees also agreed to the House provision that reduces the federal share of allocations to state-supported schools for the handicapped to 40 percent but assures each school that it will receive the same dollar amount it received in FY 1974 as a minimum.

The conferees extended basic grants to local educational agencies under Title I of the ESEA at the level of \$1.9 billion a year through FY 1978. They also agreed to consolidations of funds for libraries, equipment and materials, and instruction and guidance as well as supplementary educational centers and services, health, and dropout prevention.

There still remains a question as to whether the President will approve H.R. 69 after conferees complete action, since the Administration favors many more consolidations of education programs. Full details of final action will be covered in a subsequent issue.

Randolph-Sheppard Amendments Passed by the Senate

On June 20, the 38th anniversary of enactment of the Randolph-Sheppard Vending Stand Act, the Senate passed S. 2581, a bill to update and improve employment opportunities for blind persons operating vending facilities on federal property under the Act. The bill was passed on a voice vote with amendments made by the Committee on Labor and Public Welfare.

Introduced on October 13, 1973 by Senator Jennings Randolph (D.-W.Va.), chairman of the Subcommittee on the Handicapped of the Committee on Labor and Public Welfare, the bill would assure expansion of the Randolph-Sheppard Vending Stand program through provision of vending facilities space in government

buildings, gradual elimination of vending machines operated by government employees' organizations, and various appeals procedures to deal with grievances. (See the December 1973 *Washington Report* for a complete summary of S. 2581.)

As passed by the Senate, S. 2581 includes the following provisions:

1. A requirement that "to the maximum extent feasible, blind vending facilities should be placed in areas where employees work." Any limitation on such placement would have to be approved by the Secretary of HEW, with his decision binding upon agencies controlling federal property.

2. A requirement that property under the control of the General Services Administration be given special attention in the annual survey of vending opportunities by the Secretary of Health, Education, and Welfare.

3. A provision requiring the commissioner of the Rehabilitation Services Administration "to periodically evaluate the blind vendor program, including upward mobility and other training," with annual reports.

4. A provision that all buildings owned or controlled by the federal government "shall include a satisfactory site or sites for a blind vending facility."

5. A requirement for state agencies "to give full information on proposed retirement, health, and leave programs to each blind licensee prior to their voting on such programs."

6. Authorization for blind licensees to request a full hearing by the state licensing agency on any grievance and to request arbitration procedures.

7. Authorization for arbitration of disputes between state licensing agencies and agencies controlling federal property.

8. Allocation of vending machine income (i.e., nonappropriated funds) on federal property; authorizes regulations for the use of such income remaining after assignment to blind licensees; specifies the uses of income which accrues to state licensing agencies; imposes certain requirements for contracts for the operation of cafeterias by blind licensees; and includes compliance enforcement provisions.

9. A requirement that state licensing agencies provide access to relevant financial data to licensees, conduct a biennial election of a Committee of Blind Vendors, insuring such committee participation in administrative decisions.

10. A requirement that the Secretary of Health, Education, and Welfare "promulgate national standards for state set-aside funds," with a report within one year on the feasibility of a nationally administered retirement,

pension, and health insurance system for blind licensees, and a report to the Congress on the uses of vending machine income as specified. In addition, each state licensing agency is required to submit a report to the Secretary on the implementation of relevant provisions.

11. Authorization for the comptroller general "to conduct regular and periodic audits of all nonappropriated fund activities receiving vending machine income on federal property."

At press time (mid-July), the House Committee on Education and Labor had not scheduled hearings on S. 2581. Its Select Subcommittee on Education, which is chaired by Rep. John Brademas (D.-Ind.), is normally assigned jurisdiction.

The future of S. 2581 is uncertain since the American Postal Workers Union (AFL-CIO), the American Federation of Government Employees (AFL-CIO), and the Government Employees Council of AFL-CIO have again indicated opposition despite concessions regarding vending machine income. Similar bills passed the Senate in 1970 and again in 1972 but failed to receive House approval owing to the combination of strong union opposition and impending adjournment of the Congress. Favorable action by the House will depend on individual expressions of support sent by readers to their own Congressmen, to Rep. Carl D. Perkins, chairman of the Committee on Education and Labor, House of Representatives, and to Rep. John Brademas, chairman of the Select Subcommittee on Education.

Diabetes Research Bill

The National Diabetes Mellitus Research and Education Act, S. 2830, passed in differing forms by the Senate last December and the House last March, had its conference report approved by the House on July 9 and the Senate on July 10, thus clearing it for the President's signature.

The goal of the diabetes bill is to improve research and public education programs concerning the disease. The second leading cause of blindness, especially among older citizens, diabetes mellitus is actually a family of diseases that has an impact on virtually all biological systems of the human body, directly affecting perhaps as many as ten million Americans and indirectly affecting as many as 50 million citizens through inherited tendency, according to the "findings and declarations" section of the bill.

Under this new legislation, a 17-member National Commission on Diabetes is established within the National Institutes of Health to coordinate research

among the eight institutes of NIH and to conduct training programs for specialists in diabetes, for which \$1 million is authorized. In addition, regional research and training centers are to be established, with three-year authorizations totalling \$40 million. To administer these programs, the bill provides for an associate director for diabetes within the National Institute of Arthritis, Metabolism, and Digestive Diseases of NIH.

Extension of Rehabilitation Act

On May 21, the House of Representatives passed H.R. 14225, a bill which would extend the Rehabilitation Act of 1973 (P.L. 93-112) for one year, with increases in various authorizations of appropriations. The principal purpose of the bill is to extend rehabilitation programs through June 30, 1976 in order to permit the present Congress to vote for an additional year of appropriations to implement the advance funding provision of the Act.

The authorization of appropriations for grants to the states for vocational rehabilitation is increased from \$680 million for FY 1975 to \$720 million for FY 1976. The authorization for innovation and expansion grants is increased from \$39 million for FY 1975 to \$40 million for FY 1976, while the authorization for research is increased from \$25 million for 1975 to \$30 million for 1976.

Other increased authorizations are for training of rehabilitation personnel, from \$27.7 million for 1975 to \$30 million for 1976 and for special projects and demonstrations, from \$17 million for 1975 to \$20 million for 1976.

In addition to the extension of programs, H.R. 14225 contains a major provision statutorily transferring the Rehabilitation Services Administration from the Social and Rehabilitation Service (SRS) to the Office of the Secretary of Health, Education, and Welfare. The Congress included a similar provision transferring the Administration on Aging from SRS to the Office of the Secretary in the Older Americans Comprehensive Services Amendments of 1973.

On June 27, the Subcommittee on the Handicapped of the Senate Committee on Labor and Public Welfare held hearings on H.R. 14225; S. 3381, a companion bill, introduced by Senator Lloyd Bentsen (D.-Tex.); and on S. 3108, a bill introduced by Senator Robert Stafford (R.-Vt.) to transfer the Rehabilitation Services Administration (RSA) to the Office of Human Development in the Office of the Secretary of HEW. HEW witnesses testified in opposition to the transfer of the RSA. Final action will be reported in the next issue.

No-Fault Automobile Insurance

On May 1, the Senate passed S. 354, the National No-Fault Motor Vehicle Insurance Act, the legislation establishing federal minimum standards for automobile insurance programs, which will be operated by the states. As passed by the Senate, the bill authorizes coverage of the cost of comprehensive medical care and vocational rehabilitation services for accident victims. The House Committee on Interstate and Foreign Commerce has not yet completed action on this legislation.

National Health Insurance

Beginning late in April and continuing through early July, the House Committee on Ways and Means heard testimony from some 200 witnesses on national health insurance legislation. Since the committee had held extensive hearings on this type of legislation in 1971, the current hearings were limited to three bills introduced in this Congress—H.R. 1, introduced by Rep. Al Ullman (D.-Ore.); H.R. 12684, the Administration's bill; and H.R. 13870, a compromise bill introduced by Rep. Wilbur D. Mills (D.-Ark.), chairman of the committee.

The Administration's bill uses private insurance carriers exclusively and requires employers to cover employees for national health insurance benefits. H.R. 13870 uses a financing mechanism through Social Security payroll taxes (4 percent of annual earnings up to \$20,000, with one-fourth borne by the employee) and a reimbursement method through intermediaries similar to the present Medicare system.

In testifying before the committee on June 14 on behalf of AAWB, AFB, and BVA, Irvin P. Schloss, coordinator of Governmental Relations of AFB, supported enactment of H.R. 13870 with a series of amendments designed to assure low vision and rehabilitation services to blind and severely visually impaired individuals. Since H.R. 13870 also would establish a new Title XIV of the Public Health Service Act to assist in meeting the demand for health services created by a comprehensive national health insurance program, he also advocated amendments to assist in the training of necessary allied health personnel to serve blind and severely visually impaired persons.

Proposed amendments to strengthen services to blind and visually impaired individuals would do the following:

1. Cover low vision services to enable blind and severely visually impaired individuals to make maximum use of residual vision.

2. Cover services in a rehabilitation facility for the blind as an extended care service.

3. Cover services of a mobility therapist for the blind and a rehabilitation teacher of the blind to blind persons in hospitals, extended care facilities, homes for the aged, and in their own homes on an inpatient, outpatient, and home health service basis to assist them in achieving maximum functional independence without sight.

4. Authorize periodic comprehensive audiological examinations for all blind and severely visually impaired individuals.

5. Authorize establishment of training programs under proposed Title XIV of the Public Health Service Act for low vision aid therapists, mobility therapists for the blind, and rehabilitation teachers for the blind, with fellowships and stipends for the trainees.

The House Committee on Ways and Means began consideration of national health insurance legislation in executive session late in July. Owing to opposition from groups advocating more liberal health insurance legislation and those opposed to any health insurance legislation, it is difficult to predict whether a national health insurance bill can be passed by both the House of Representatives and the Senate before the end of the 93rd Congress this year.

Food Stamp Eligibility

On July 8, the President signed H.R. 15124 as P.L. 93-335, which extends for an additional 12 months, until July 1, 1975, food stamp eligibility for Supplemental Security Income recipients. In those five states which have opted to substitute cash for food stamps, each beneficiary who formerly received assistance under a state program is assured \$10 more in income than he received in December 1973. The states are New York, California, Wisconsin, Massachusetts, and Nevada.

Fiscal 1975 Appropriations

The President's budget for the fiscal year ending June 30, 1975 was submitted to the Congress on February 4. It contains a budget request of \$35.1 billion exclusive of trust funds for the Department of HEW. The request for the Books for the Blind and Physically Handicapped program administered by the Library of Congress for FY 1975 is \$11,490,000, in contrast to \$9,894,000 appropriated for FY 1974. As passed by both House and Senate, \$11,416,900 is appropriated for FY 1975 for this program. Other items of special interest to readers are listed in the table on the right.

	1974 Appropriated	1975 Requested	1975 House-passed
	(in thousands of dollars)		
PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED	975	1,270	1,270
COMPREHENSIVE MANPOWER TRAINING	1,350,000	2,050,000	2,150,000
COMMITTEE FOR PURCHASES FROM BLIND & SEVERELY HANDICAPPED	240	252	****
AMERICAN PRINTING HOUSE FOR THE BLIND	1,817	1,967	1,967
EDUCATION OF THE HANDICAPPED	100,000	100,000	****
State grant program	60,000	50,000*	****
Deaf-blind centers	14,850	12,000	****
Early childhood projects	16,222	14,000	****
Regional resource centers	7,243	9,243	****
Innovation & development	9,916	9,916	****
Media services	13,632	13,500	****
Special education manpower	40,000	38,000	****
Specific learning disabilities	3,250	3,250	****
NATIONAL INSTITUTE OF EDUCATION	75,589	130,000	100,000
COMPREHENSIVE HEALTH GRANTS TO STATES	90,000	90,000	****
MATERNAL & CHILD HEALTH	266,000	266,000	294,969
Grants to states	133,000	244,000	261,951
Project grants	111,000	0	0
Research & training	22,000	22,000	21,917
NATIONAL EYE INSTITUTE	39,938	39,947	38,878
NIH DIABETES RESEARCH	10,900	11,900	****
NATIONAL CENTER FOR HEALTH STATISTICS	21,000	24,000	****
REHABILITATION OF THE DISABLED			
Basic state grants	630,000	670,000	680,000
Service projects**	52,600	13,900	12,500
Research & demonstration	20,096	20,000	20,000
Training	15,572	11,500	22,200
Grants for the Developmentally Disabled			
State grants	34,748	30,875	****
Service projects	18,500	18,500	****
University affiliated facilities	4,335	4,250	****
CHILD WELFARE SERVICES	47,000	46,000	47,500
GRANTS TO STATES FOR PUBLIC ASSISTANCE (AFDC)	7,515,876	8,066,525	7,778,525
SUPPLEMENTAL SECURITY INCOME (SSI)	2,211,636	4,774,000	4,774,000
SOCIAL SERVICES	2,000,000	2,000,000	1,700,000
MEDICAID	5,256,000	6,537,000	6,300,000
SPECIAL PROGRAMS FOR THE AGING	322,636	202,600	103,000,000*****
HEAD START	392,000	430,000	****
GRANTS FOR PUBLIC LIBRARIES (LSCA 1)***	47,000	25,000	44,155
(USDA) FOOD STAMP PROGRAM	2,495,651	3,984,919	****

*Included in proposed education special revenue sharing bill.

**The request for FY 1975 for the National Center for Deaf-Blind Youths and Adults is \$1.78 million, in contrast to \$600,000 appropriated for FY 1974. \$1.78 million is also amount passed by the House for FY 1975.

***Includes \$2 million for library services for the handicapped.

****Authorizing legislation pending.

*****Extension of Nutrition for the Elderly program not enacted in time for consideration by the House Subcommittee on HEW Appropriations.

Handicapped and Elderly Ignored by Revenue Sharing

Rep. John Brademas (D.-Ind.), chairman of the Select Subcommittee on Education of the House Committee on Education and Labor, stated that local units of government are "almost totally ignoring handicapped persons, children, and the elderly in the use of revenue sharing funds" allocated directly to them under general revenue-sharing legislation.

Mr. Brademas released the results of a General Accounting Office (GAO) investigation he requested on the utilization at the local level of monies provided under the State and Local Fiscal Assistance Act passed two years ago.

The GAO report, based on a survey of 250 local governments—including the 50 cities and 50 counties that received the largest amounts of revenue sharing funds in 1972—produced the following conclusions:

1. Only about 3/10 of 1 percent, or \$4.3 million, of the \$1.37 billion provided to the governments surveyed went to programs for the handicapped, and only 18 govern-

ments spent any of their revenue sharing money on programs for the handicapped.

2. A little more than 1 percent of the revenue sharing money, or about \$15.4 million, went for children's programs.

3. Only about 2/10 of 1 percent, or \$2.9 million, of the total revenue sharing monies authorized for expenditure by the local governments surveyed were directed to programs to benefit the elderly.

Mr. Brademas noted that the figures on the elderly came from a similar GAO study released earlier this year by Rep. Claude Pepper (D.-Fla.).

"It seems clear that in the first years of implementation of revenue sharing, local officials appear to be ignoring the needs of the vulnerable segments of our society," Mr. Brademas said. "For the handicapped, children, and elderly often have much less political influence at the local level than other groups. The State and Local Fiscal Assistance Act of 1972 provides 30 billion federal dollars, with few strings attached, to state and local governments."

EXECUTIVE BRANCH NEWS

Assistant Secretary for Education



The Senate on May 30 confirmed the appointment of Dr. Virginia Y. Trotter to be assistant secretary for education in the Department of Health, Education, and Welfare. Prior to her appointment, Dr. Trotter was vice chancellor

for academic affairs at the University of Nebraska at Lincoln since 1972, when she became the first woman in the nation to assume the number two administrative position in a large, multi-purpose land grant university. She combined her administrative position with a professorship in Education and Family Resources.

Born in Boise, Idaho, in 1921, Dr. Trotter attended Kansas State University for both her bachelor's and master's degrees. She received her doctorate from Ohio State University in 1959.

Dr. Trotter's teaching career began in 1948 at the University of Utah, where she served as instructor and director of the Home Management Laboratory. In 1950 she joined the faculty of the University of Nebraska at Lincoln as assistant professor and head of the Family Econo-

mics and Management Division of the Department of Home Economics, a research and teaching appointment she held until 1955.

The University of Vermont became Dr. Trotter's home from 1955 until 1963. There, as assistant to the dean of agriculture and home economics and chairman of the Home Economics Department, she was responsible for teaching, research, and extension programs.

Returning to Lincoln, Nebraska, in 1963, Dr. Trotter was appointed associate dean of the College of Agriculture and Home Economics at the University. In addition to this administrative position she was director of the School of Home Economics, associate director of the Experiment Station, and professor of family economics.

In 1970, Dr. Trotter was responsible for the School of Home Economics becoming the college of Home Economics, and was made its first dean. She retained her positions as associate director of the Agricultural Experiment Station and professor of education and family resources, while taking on added responsibility as associate director of the Cooperative Extension Service. As such, she was responsible for teaching, research, and extension programs in the Departments of Education and Family Resources; Food and Nutrition; Human Development and the Family; and Textiles, Clothing, and Design. In addition, her responsibilities included appointments on a number of university policy committees.

Dr. Trotter has served on many national and state committees, including the President's Committee on Employment of the Handicapped and the Nebraska Governor's Commission for Status of Women. She has served as president of the Nebraska Home Economics Association and as chairman of several American Home Economics Association committees. She is currently co-chairman of the USDA Human Nutrition Research Task Force, a public member of the National Advertising Review Board, and a member of the Nebraska Governor's Committee for Employment of the Handicapped.

Universities in the United States and abroad have consulted Dr. Trotter in their efforts to establish or improve nutrition and family life programs. She has advised such institutions as the Universities of West Virginia and Minnesota; Hacettepe and Ankara Universities in Turkey; the United States AID Mission in Colombia, South America; and the Greater Anchorage Schools in Anchorage, Alaska.

Dr. Trotter, author of numerous journal articles and bulletins in her field, has special interest and concern for the quality of family living, the welfare of the consumer, and the rehabilitation of the handicapped, emotionally disturbed, and mentally retarded.

In May 1973, Dr. Trotter was awarded an honorary degree from Kansas State University. She received a Distinguished Service Award from the Ohio State University and the Melvin McArtor Distinguished Service Award for outstanding contributions to rehabilitation in Nebraska in 1971.

New Commissioner of Education

Terrel H. Bell, 52, was confirmed by the Senate on June 5, 1974, to be the 21st commissioner of education in the 107-year history of the U.S. Office of Education. He succeeds John R. Ottina who has been appointed HEW assistant secretary for administration and management.

Dr. Bell has been superintendent of the Granite School District, Salt Lake City, since September 1971. From 1970 to 1971 he was with the U.S. Office of Education, serving as associate commissioner in charge of regional offices, acting commissioner of education, and deputy commissioner for school systems. From 1963 to 1970, he was Utah state superintendent of public instruction and executive officer of the State Board for Vocational Education.

While in Washington, Dr. Bell was instrumental in establishing comparability for Title I of the Elementary and Secondary Education Act—the requirement that federal funds supplement rather than supplant state and

local funds. He also played a major role in the Office of Education's effort to desegregate some 1,300 school districts in the South under the Emergency School Assistance Program.

Born in Lava Hot Springs, Idaho, Dr. Bell received his B.A. degree from Southern Idaho College of Education in 1946, his M.S. from the University of Idaho in 1954, and his doctorate in educational administration from the University of Utah in 1961. He also studied school administration as a Ford Foundation Fellow in 1954-55 at Stanford University.

Dr. Bell began his career in education in 1946 as a science teacher and athletic coach at Eden Rural High School in Eden, Idaho. From 1947 to 1954, he served as superintendent of the Rockland Valley (Idaho) School District. In 1955 he became superintendent of schools in the Star Valley School District, Afton, Wyoming and held this position for the next three years. From 1957 to 1962, he was superintendent of schools in the Weber County School District, Ogden, Utah. He was chairman of the Department of Educational Administration and professor of educational administration at Utah State University from 1962 to 1963.

Dr. Bell holds an honorary doctorate of humanities degree from Southern Utah State College. His other honors and awards include: Certificate of Appreciation from the U.S. Office of Education in 1971; Secretary's Special Citation from the U.S. Department of Health, Education, and Welfare in 1970; National Adult Education Outstanding Service Award in 1970; Distinguished Service to American Education Award from the Council of Chief State School Officers in 1970; Utah School Boards Association Distinguished Service Award in 1970; and the Weber County Board of Education designation of a new school as T.H. Bell Junior High School in 1963.

Dr. Bell is a member of the Honor Society of Phi Kappa Phi and is the author of five published books and numerous articles on educational subjects.

During World War II, Dr. Bell served for 26 months in the Pacific area and was discharged as a first sergeant in the U.S. Marine Corps. In 1957 he was married to Betty Ruth Fitzgerald; they have four sons.

HEW Education Legislation Official Appointed

Charles M. Cooke, Jr., 42, has been appointed deputy assistant secretary for legislation for education affairs at the Department of Health, Education, and Welfare. In this new position, he is directly concerned with legislative efforts involving new education proposals.

Mr. Cooke has been with the Department since August

1970 when he was named director of the Office of Special Concerns. In that post, he was responsible for informing minority groups and other special interest groups of HEW programs and policies affecting them. He was instrumental in initiating a department-wide Upward Mobility program for minorities and women, and in 1972 was awarded the First Annual HEW Award for Equal Opportunity Achievement.

From 1960 through 1965, Mr. Cooke was a member of the Department of History at the U.S. Air Force Academy in Colorado Springs, Colorado, where he became associate professor of history. In 1966 he served in the Plans and Policy Section of the Military Assistance Command in Vietnam. During this period, he also served as a member of the Joint Interagency Planning Group, the Economic Warfare Council, and the Montagnard Affairs Council of the U.S. Mission in Vietnam.

From June 1967 through April 1969, Mr. Cooke served as assistant for Vietnam, East Asia, and Pacific Region, Office of the Assistant Secretary of Defense for International Security Affairs. In May 1969, he resigned his Air Force commission as a major and accepted an appointment as special advisor to the under secretary of state dealing with Vietnamese and Southeast Asian Affairs.

He is a 1953 graduate of the U.S. Naval Academy and earned his M.A. degree in Chinese history from the University of Washington in 1960.

He was awarded the Legion of Merit in 1969; the Bronze Star in 1967; Air Force Commendations in 1958 and 1965; and the Staff Officers Medal, 1st Class, from the Republic of Vietnam in 1967.

New Associate Commissioner of Education

Charles H. Buzzell, of Beverly, Massachusetts, has been appointed associate commissioner for occupational planning in HEW's Office of Education, U.S. Commis-

sioner of Education Terrel H. Bell has announced.

Dr. Buzzell, 42, comes to Washington from the Massachusetts State Department of Education, where he has served as associate commissioner for occupational education since December 1970.

In his new position as head of occupational planning within the Bureau of Occupational and Adult Education (BOAE), Dr. Buzzell will provide leadership for planning, directing, and developing occupational education programs. These programs are established under a variety of legislative authorities and involve promoting and encouraging occupational education at both the secondary and post secondary levels.

Born in Hartford, Connecticut, Dr. Buzzell was graduated from Hartford High School in 1951 and was certified as an electrician by the Hartford Trade School in 1952. After serving two years in the U.S. Coast Guard, he enrolled at Teachers College of Connecticut in New Britain, receiving a B.S. in industrial arts in 1959. He obtained his M.A. degree from the University of Connecticut in 1961 and an Ed.D. from Rutgers University in 1970.

Dr. Buzzell began his professional career as a teacher and guidance counselor at the Rockville High School, Vernon, Connecticut. He later served as an instructor at Central Connecticut State College, New Britain, and at Rutgers University. While at Rutgers, he was assistant director of the COPE (Cooperative Occupational Pre-Teaching Experience) project.

From 1969 to 1970, Dr. Buzzell was coordinator of the National Leadership Training Institute and director of the Bureau of Professional Services, Division of Vocational Education, New Jersey State Department of Education.

He is the author of numerous publications in the field of vocational and occupational education.

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 AMERICAN FOUNDATION FOR THE BLIND

IRVIN P. SCHLOSS EDITOR

washington report

CONGRESSIONAL NEWS

With adjournment of the 93rd Congress tentatively scheduled for October 15, it now appears unlikely that action can be completed by both the House of Representatives and the Senate this year on a comprehensive national health insurance program and on a tax reform bill. The House Committee on Ways and Means has completed hearings on both types of legislation, and the staff has prepared various draft proposals. However, members of the Committee could not agree on a health insurance bill and resumed consideration of tax legislation instead. With the time required for Senate Finance Committee hearings and deliberations on bills of this magnitude, it would appear that final Congressional action could take place this year only if Congress returned after the November 5 elections.

Prior to the Labor Day recess, the Congress completed action on three major bills—the Education Amendments of 1974, which extended the Elementary and Secondary Education Act; the Housing and Community Development Act of 1974; and the Retirement Income Security for Employees Act, the so-called pension reform act. In addition, one major improvement in the Supplemental Security Income program for aged, blind, and disabled persons became law, and another has passed the Senate.

Education Amendments of 1974

“I take special pleasure today in signing H.R. 69,” stated President Ford at a signing ceremony on August 21 at the Department of Health, Education, and Welfare when he approved the Education Amendments of 1974. “. . . While I would have preferred different provisions in some sections of this bill, the overall effect of H.R. 69 should be a significant step forward in our quest for more effective distribution of federal education funds and for better administration of federal education programs.”

The new law, Public Law 93-380, extends the Elementary and Secondary Education Act (ESEA), the impact

aid laws, the Adult Education Act, the Bilingual Education Act, and the Indian Education Act through FY 1978. It also extends the Education of the Handicapped Act through FY 1977 and the Emergency School Aid Act through FY 1976.

The formula for Title I of ESEA, special educational programs and projects for educationally deprived children, is amended to allocate funds on a basis to target more clearly funds on low income children. State agency programs for handicapped, migrant, and neglected and delinquent children will receive funds in grants with the new formula and will continue to receive funds “off the top” in accordance with established practice. No state agency will receive less than its fiscal year 1974 allocation. Each local education agency (LEA) will receive at least 85 percent of its previous year’s allocation. The 1975 authorization is estimated at \$3.1 billion for LEA grants.

With regard to handicapped children in state-supported schools, the allocation formula specifies that each state shall receive 40 percent of the average per pupil expenditure in that state times the number of handicapped children in average daily attendance. As an alternative, the formula specifies a minimum allocation of 80 percent of the average per pupil expenditure in the United States and a maximum of 120 percent of the average per pupil expenditure in the United States. Handicapped children transferred from state-supported schools may continue to be counted for this purpose with funds transferred to the local education agency by the state education agency. In addition, a state education agency must provide assurance that each handicapped child counted will be provided with a program commensurate with his special needs.

Titles II (libraries and learning resources), III (guidance and counseling as well as support and innovation), and VIII (nutrition and health and dropout prevention) of the ESEA are extended through 1978 and Title III (libraries and learning resources) of the National Defense Education Act (NDEA) is extended through

fiscal year 1977. These programs will not be funded in any year in which they are consolidated.

Title IV of Public Law 93-380 authorizes the following consolidations: (1) Title II of ESEA, Title III of NDEA, and the guidance and counseling portion of Title III of ESEA; and (2) the support and innovation portion of Title III, Title VIII, and Title V (aid to state educational agencies) of ESEA. Consolidation must be forward funded and will be phased in over a two-year period. The new law retains the 15 percent earmark of appropriations for handicapped children under innovation and support service.

Also included is a provision for a simplified state application for ESEA I, II, III, NDEA III, adult education, vocational education, and education of the handicapped.

Also included is a Special Projects Act which provides an "incubator" for new categorical programs. Under this concept new programs will be protected for a period and then will compete for funding without the protection of set-asides. These new programs include women's educational equity, career education, consumer's education, gifted and talented, community schools, metric education, and arts in education.

Under the impact aid program effective in FY 1976, amendments provide for guaranteed funding for public housing children at 25 percent of entitlements. Entitlements for military children remain as in current law. Handicapped children of military personnel will be entitled to a payment of one and a half times that of other children. These funds must be used for the purpose of providing special education for these children. Funds which a district receives as the result of public housing children must be used for programs of compensatory education.

The law extends current adult education programs for four years and establishes a new 15 percent set aside for state funds for innovative programs and teacher training. It also specifies that up to 20 percent of state allocations may be used for the education of institutionalized adults.

The Education of the Handicapped Act is extended through FY 1977. It does the following:

1. Specifies that the Bureau for the Education and Training of the Handicapped in the Office of Education shall be headed by a deputy commissioner appointed by the commissioner of education and reporting directly to him.

2. Requires the deputy commissioner to be paid at a Grade 18 level in the classified service (\$36,000); authorizes five additional Grade 16 positions in the bureau.

3. Extends the National Advisory Committee on Handicapped Children until July 1, 1977 and authorizes

appropriations of \$100,000 for FY 1974-77 for its operation.

4. Authorizes the commissioner of education to "make payments to states for the purpose of assisting the states in the initiation, expansion, and improvement of programs and projects for the education of handicapped children at the preschool, elementary school, and secondary school levels in order to provide full educational opportunities to all handicapped children" on an entitlement basis for the fiscal year 1975 only. The entitlement formula is based on the number of children in each state between the ages of three and 21 inclusive times \$8.75. If fully funded, this provision could result in grants totaling \$630 million for fiscal 1975.

5. Authorizes use of funds paid to states for identification and treatment of handicapped children under age three.

6. Requires states to provide procedures for insuring that handicapped children and their parents are granted procedural safeguards in decisions regarding identification, evaluation, and educational placement of handicapped children.

7. Requires procedures to insure that, to the maximum extent appropriate, handicapped children are educated with children who are not handicapped.

8. Requires procedures to insure that testing and evaluation materials and methods are selected and administered so as not to be racially and culturally discriminatory.

9. Establishes as the goal provision of full educational opportunities for all handicapped children.

10. Authorizes appropriations of \$100 million for FY 1976 and \$110 million for FY 1977 for grants to states for the education of handicapped children in contrast to the entitlement formula described in number four above.

11. Requires that states submit to the commissioner of education an amendment to its state plan which will set forth policies to insure the education of all handicapped children, and to insure that all handicapped children in the state in need of special education are identified and evaluated, that a detailed timetable for providing full educational opportunity for all handicapped children is established, and that such amendment to the state plan will be available to parents and members of the general public.

12. Increases minimum allocations to states for FY 1975 to \$300,000 a year.

13. Authorizes the commissioner to make grants to and contracts with institutions of higher education, including junior and community colleges, vocational and technical institutions, and other appropriate nonprofit educational

agencies for vocational, technical, postsecondary, or adult education programs for deaf and other handicapped persons.

14. Authorizes appropriations for assisting regional resource centers of \$12.5 million for FY 1975, \$18 million for FY 1976, and \$19 million for FY 1977.

15. Authorizes appropriations for centers and services for deaf-blind children of \$15 million for FY 1975, \$20 million for FY 1976, and \$20 million for FY 1977.

16. Authorizes appropriations for experimental pre-school and early education programs of \$25.5 million for FY 1975, \$36 million for FY 1976, and \$38 million for FY 1977.

17. Authorizes appropriations for training special education personnel (except for physical educators and recreation personnel) of \$45 million for FY 1975, \$52 million for FY 1976, and \$54 million for FY 1977.

18. Authorizes separate appropriations of \$500,000 for FY 1975 and FY 1976 and \$1 million for FY 1977 for training physical educators and recreation personnel.

19. Authorizes appropriations for research and demonstration programs in the education of handicapped children of \$15 million for FY 1975, and \$20 million each for the fiscal years 1976 and 1977.

20. Authorizes appropriations for instructional media for the handicapped of \$18 million for FY 1975, and \$22 million for each of the fiscal years 1976 and 1977.

21. Authorizes appropriations for research, training, and model centers to meet the educational needs of children with specific learning disabilities, of \$10 million for FY 1975, and \$20 million for each of the fiscal years 1976 and 1977.

Public Law 93-380 also extends the Indian Elementary and Secondary School Assistance Act through FY 1978. Up to 10 percent of the funds are to be made available to Indian-controlled schools. An annual authorization of two million dollars for special training programs for teachers of Indian children and a program of fellowships for Indian students is also included. An upgraded National Center for Education Statistics within the Office of the Assistant Secretary for Education is created by the new law. Congress is afforded the opportunity to disapprove regulations for any federal aid program for education.

The new law affords parents of students and students attending educational institutions the right to inspect student school files and challenge their content. The release of documents to third parties is restricted.

In addition, the new law authorizes a new reading improvement program with categorical grants for 1975-1978 to be distributed to states on a school age popula-

tion formula, authorizes a White House Conference on Education in 1977, and extends the present Ethnic Heritage Studies Program through FY 1978.

H.R. 69 as passed by the House amended the General Education Provisions Act by adding a new section 438 prohibiting discrimination against teachers who are physically handicapped. However, this provision was deleted in conference on the basis that section 504 of the Rehabilitation Act of 1973, prohibiting discrimination against handicapped persons in any federally-assisted program, was adequate for this purpose.

The Administration will request funds to implement Public Law 93-380 in a supplemental appropriation bill. However, in his statement at the signing ceremony, the President indicated concern about "substantially increased federal funding for education, especially at a time when excessive federal spending is already fanning the flames of inflation."

"I hope the Congress will exercise restraint in appropriating funds under the authorizing legislation included in H.R. 69, and will carefully avoid increasing the budget," the President stated.

Housing and Community Development Act of 1974

On August 22, the President signed S. 3066, the Housing and Community Development Act of 1974, which significantly affects federal involvement in community development and urban and rural housing, including mobile homes.

The new law, Public Law 93-383, initiates a new program of community development block grants, amends public housing laws, and initiates a new leased housing program. The law also revises mortgage credit programs for moderate and middle income families, and extends and amends other laws relating to housing and community development. It provides new funding authorizations of over \$11.9 billion for the three fiscal years 1975, 1976, and 1977.

Since 1949 Congress has enacted a series of federal grant programs, each directed at a narrow category of community development activities: urban renewal, rehabilitation loans, public facility loans, open space land, neighborhood facilities, water and sewer grants, urban beautification, historic preservation, model cities, and neighborhood development programs.

Title I of the new Act consolidates all of these categorical programs; eliminates the narrow, rigid purposes for which communities can spend federal grant funds; allocates funds on a formula based on population, housing over-crowding, and poverty (counted twice) for cities

over 50,000 and urban counties; provides limited assurances that communities will continue to receive funds at levels of the recent past; earmarks special discretionary funds for smaller communities in each metropolitan area and for rural communities in each state; and substantially reduces application requirements and federal review of applications.

Funds for the new program will become available January 1, 1975. The authorizations are: \$2.5 billion in FY 1975; \$2.95 billion in FY 1976; \$2.95 billion in FY 1977; and Congress has not yet appropriated funds under these authorizations. Up to \$50 million for fiscal years 1975 and 1976, and \$100 million for FY 1977 will be authorized for transition grants to communities with urgent community development needs that cannot be met through the Act's allocation provisions.

States, cities, counties, other units of general local government (including designated public agencies) and new community entities are eligible for these grants. To secure funding, a community must file an annual application for federal approval which: (1) provides a three-year plan showing community development needs and objectives and a comprehensive strategy to meet those needs in accordance with area-wide development planning and national urban growth policy; (2) describes a program to eliminate or prevent slums, blight, and deterioration; (3) provides improved community facilities and improvements including supporting social and health services; (4) contains a housing assistance plan; (5) complies with civil rights legislation; and (6) provides for adequate citizen participation. Applications are deemed approved after 75 days unless the Department of Housing and Urban Development (HUD) issues notification to the contrary.

Funds will be distributed on the basis of 80 percent to metropolitan areas and 20 percent to non-metropolitan areas. Cities and counties that have been receiving a higher level of funding under prior programs will continue to receive this higher level (will be "held harmless") during the first three years. In the next three years, the excess over formula entitlement will be phased out by thirds. Cities receiving a lower level of funding under prior programs will be phased in by thirds over the first three years. Former recipients of model cities grants will receive the full model cities "hold harmless" amount up to the equivalent of five program years plus a declining percentage (80, 60, 40) of the full amount in the three years following the fifth action year.

Smaller communities that have no formula entitlement but that have been participating in model cities, urban renewal, or code enforcement programs, will

receive the same "hold harmless" treatment. Communities without formula entitlement and not otherwise receiving community development funds can apply for assistance from funds not committed to entitlement payments.

To increase the availability of mortgage credit, the Act provides authority to:

1. Extend all of the unsubsidized FHA mortgage insurance programs until June 30, 1977;

2. Substantially increase the size of mortgages that can be insured by FHA from \$33,000 to \$45,000 for single-family homes;

3. Substantially increase the size of mortgage loans by savings and loan associations from \$45,000 to \$55,000 for single-family homes;

4. Substantially increase the size of mortgage loans that can be purchased by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), and the Government National Mortgage Association (Ginnie Mae) to create secondary mortgage markets;

5. Lower the down payment requirements on FHA-insured mortgages from \$3,450 to \$1,750 on a \$35,000 home and mortgage loans that can be purchased by Fannie Mae, Freddie Mac, and Ginnie Mae;

6. Increase the size of mortgages and extend the maturities for FHA-insured mobile home loans and property improvement loans and increase the mortgage amount of property improvement loans made by savings and loan associations;

7. Permit experimental mortgages with amortization payments increasing as family incomes are expected to rise over the course of the mortgages; and

8. Authorize institution of a program of co-insurance with private lenders to cut the red tape of FHA processing.

Public Law 93-380 contains authority to expand experimental housing allowance programs. The Act establishes a new Section Eight program of housing assistance for lower-income families. This authorizes the federal government to pay, with respect to over 400,000 units of existing, substantially rehabilitated or new housing, the *difference* between the fair market rent and 15 to 25 percent of the tenant's gross income.

This program should have the following advantages over the old subsidized programs: Costs can be better controlled through the use of market-determined rents, competition between private developers and local housing authorities, payments only for occupied units, and a 20-year subsidy term. The lowest-income families can be reached since the formula will always pay the difference

between what the family can afford and what it costs to rent the unit. Freedom of choice will be enhanced because tenants are free to negotiate with particular landlords, and HUD is authorized to give priority to developers who put fewer than 20 percent of their units in a project under subsidy. A better selection of sites will be available since both private developers and local housing authorities will be seeking sites to offer. Maintenance and operation will be improved because most units will be the responsibility of private owners. There is no special tax treatment encouraging owners to abandon the property and, in some cases, the presence of non-subsidized tenants will compel better maintenance and operation.

Authority to insure mortgages under the Section 235 interest subsidy rental program was extended to June 30, 1976. HUD is expected to approve Section 236 projects when a community has identified its special housing needs and demonstrated that these needs cannot be met through the new Section Eight program of housing assistance for lower-income families.

The Act would reestablish the old Section 202 program of direct loans for projects for the elderly and the handicapped but only to the extent approved in appropriation acts. The Act would authorize HUD to transfer HUD-held properties to communities for use in urban home-steading programs.

With respect to public housing, the Act authorizes funding of over \$400 million for modernization of projects, authorizes increased operating subsidies up to \$500 million for FY 1975, establishes the principle that all tenants must pay some rent, authorizes housing authorities to establish a "mix" of tenant incomes so that the aggregate rent paid to the authority equals 20 percent of aggregate tenant income, and permits the establishment of prototype cost standards. The Act would prohibit discrimination in housing and mortgage credit lending on the basis of sex and require lenders to consider the income of a spouse.

In order to reduce the number of personal injuries and deaths and the amount of insurance costs and property damage resulting from mobile home accidents, and to improve the quality and durability of mobile homes, the Act authorizes HUD, in consultation with the Consumer Product Safety Commission, to issue national standards with respect to the safety, quality, and durability of mobile homes. HUD is authorized to enforce these standards and to require the repairs of defects.

SSI Improvements

On August 8 the President approved H.R. 8217, a bill relating to duties for foreign repairs on U.S. vessels, which contained an important amendment of the Supplemental Security Income (SSI) program for all aged, blind, and disabled beneficiaries. The new law, Public Law 93-368, provides that SSI cash benefits will be increased whenever old age, survivors, and disability insurance cash benefits under Title II of the Social Security Act are raised in accordance with increases in the cost of living.

The law also provides for federal reimbursement to the states until June 30, 1976 of benefits paid to SSI applicants as interim assistance. In addition, Public Law 93-368 extends the deadlines for the studies related to medicare and medicaid reimbursement methods.

Another far-reaching improvement in the SSI program was added as an amendment by Senator Frank Church on August 13 to H.R. 13631, a bill relating to the suspension of duty on horses, when that bill was being considered by the Senate. The Church amendment would exempt from consideration as unearned income for SSI purposes support and maintenance payments made by a nonprofit organization on behalf of an SSI beneficiary residing in a nonprofit retirement home or similar residential institution. Thus, the subsidized portion of an SSI beneficiary's maintenance in the nonprofit home for the aged or similar facility would no longer be considered as unearned income and would not reduce or eliminate that individual's SSI payment. This amendment would correct a widespread problem which has developed since the SSI program became effective last January 1, in contrast to the federal-state public assistance program, under which public assistance payments to such individuals were not reduced as a result of their residence in a nonprofit home for the aged.

This amendment to H.R. 13631 will have to be agreed to by the House of Representatives after it reconvenes on September 11.

Pension Reform Law

On September 2, the President signed H.R. 2, the Employee Retirement Income Security Act. The new law, Public Law 93-406, does the following:

1. Provides for minimum vesting in employee retirement plans.
2. Establishes a Pension Benefit Guaranty Corporation in the Department of Labor to insure pension benefits if a plan is terminated, with employer premiums as a main source of financing.

3. Requires retirement plans to have a joint and survivor annuity provision, with a survivor annuity to be not less than one-half of the annuity payable to the participant.

4. Authorizes individuals not covered under an employer or government retirement plan to establish their own retirement plan and claim a tax deduction of \$1500 a year or 15 percent of wages, whichever is less.

5. Increases maximum tax deduction which self-employed individuals may take to establish a retirement plan to 15 percent of net earnings with a \$7500 annual limit.

Except for individual retirement accounts described in number four above, a major deficiency in the new law is lack of provision of portability of retirement plans when an employee changes jobs.

Health Services

H.R. 14214, the Health Revenue Sharing and Health Services Act of 1974, was passed by the House of Representatives on August 12. It extends and improves five health programs for two years through June 30, 1976 with total authorizations of appropriations of \$1.736 billion. The bill does the following:

1. Extends the Health Revenue Sharing program with a two-year authorization of \$420 million, which requires the states to submit a detailed plan and report concerning their provision of the types of public health services for which the funds may be used.

2. Extends the Family Planning program under Title X of the Public Health Service Act with a two-year authorization of \$472.5 million and makes changes which repeal the unused formula grant authority, require that the research authority be used rather than general authority, and require annual updating of the five-year plan for family planning services.

3. Extends the Community Mental Health Centers Act with authorizations of \$278 million and rewrites the Act so as to define the nature, services, and operations of a Community Mental Health Center; complete present grants for existing centers; authorize new programs for development and operation of new centers; authorize new support for consultation and education services and construction for both existing and new centers; and authorize a new program to assist existing centers experiencing financial distress.

4. Extends existing section 310 of the Public Health Service Act for migrant health with authorizations of \$105 million and makes changes which define the nature, service, and operation of a migrant health center; place program emphasis on the funding of such centers;

provide support for states and private activities intended to improve the healthfulness of the migrant's environment; and require a study of migrant housing.

5. Repeals existing section 314 (e) of the Public Health Service Act under which neighborhood health centers are now supported and creates a new section, 330, which defines the nature, service, and operation of such centers, calling them Community Health Centers; and authorizes \$460 million for the development, operation, coordination, and training of personnel of such centers for medically underserved populations.

Of special interest is the stipulation of "vision services" in the list of "supplemental health services" specified for both Title IV (migrant health) and Title V (Community Health Centers). In addition Title V lists as a primary health service preventive health services, with special emphasis on "children's eye examinations to determine the need for vision correction."

During House floor debate prior to passage, the bill's floor manager pointed out that these programs provide essential undergirding for the delivery of health services in the event of passage of some form of national health insurance.

A similar bill, S. 3280, was reported by the Senate Committee on Labor and Public Welfare on September 5 and was scheduled for floor action in late September. It is likely that this legislation will be sent to the President in October.

Rehabilitation Act Extension

On September 10, the Senate passed H.R. 14225, a House-passed bill extending authorizations of appropriations in the Rehabilitation Act of 1973 for one year, after amending it to contain changes made by the Senate Committee on Labor and Public Welfare. As passed by the Senate, H.R. 14225 does the following:

1. Transfers the Rehabilitation Services Administration (RSA) from the Social and Rehabilitation Service to the Office of the Secretary of Health, Education, and Welfare.

2. Requires that the commissioner of RSA be appointed by the President and confirmed by the Senate.

3. Requires that the commissioner report directly to the Secretary, the under secretary, or an appropriate assistant secretary and prohibits the delegation of any of his functions to any officer not directly responsible to him.

4. Extends the authorization of appropriations for the basic grants to the states program of vocational rehabilitation for one year through June 30, 1976 at \$720 million.

5. Extends the authorization of appropriations for innovation and expansion grants for two years, with auth-

orizations of \$42 million for FY 1976 and \$45 million for FY 1977.

6. Authorizes appropriations for the client assistance program of \$3 million each for FY 1976 and FY 1977.

7. Authorizes appropriations for research of \$35 million for FY 1976 and \$37.5 million for FY 1977.

8. Authorizes appropriations for training of rehabilitation personnel of \$35 million for FY 1976 and \$37.5 million for FY 1977.

9. Extends the authorization of appropriations for construction of rehabilitation facilities through June 20, 1977 without a dollar authorization.

10. Extends the authorization for vocational training services in rehabilitation facilities through June 30, 1977 without a dollar authorization.

11. Authorizes appropriations of \$20 million for FY 1976 and \$25 million for FY 1977 for special projects and demonstrations.

12. Extends the authorization for the National Center for Deaf-Blind Youths and Adults through June 30, 1977 without a specific dollar authorization.

13. Extends the authorization of appropriations for program and project evaluation through June 30, 1977 without a specific dollar amount.

14. Extends special programs administered by the Secretary with authorizations of \$0.7 million for FY 1976 and \$1 million for FY 1977.

15. Authorizes appropriations of \$1.5 million for FY 1976 and \$2 million for FY 1977 for the Architectural and Transportation Barriers Compliance Board.

16. Includes the provisions of S. 2581, the Randolph-Sheppard Act Amendments of 1974, as Title II.

17. Includes the provisions of S.J. Res. 118, a resolution authorizing a White House Conference on Handicapped Individuals, with authorizations of appropriations of \$2 million for FY 1975, \$3 million for FY 1976, and \$1 million for FY 1977, with appropriations to remain available until expended.

The bill provides that 25 percent of the appropriation for research must be earmarked for the establishment of rehabilitation engineering research centers. In addition, the bill broadens the definition of "handicapped individual" for purposes of Titles IV and V of the Rehabilitation Act of 1973 relating to the Office for Handicapped Individuals, the affirmative action programs for employment of the handicapped by the federal government directly and by contractors with the federal government, and the prohibition of discrimination against the handicapped in any federally-assisted program.

An amendment authorizing a demonstration program of wage supplements for handicapped individuals in sheltered workshops was offered by Senator Mike Mansfield (D.-Montana) on behalf of Senator Hubert Humphrey (D.-Minn.), who was not present. The amendment was defeated on the basis that the hearings on H.R. 14225 and related bills in both the House of Representatives and the Senate did not go into this issue and that the workshop study authorized by the Rehabilitation Act of 1973 would cover wages paid handicapped workers in workshops.

House and Senate conferees are expected to meet late in September to reconcile differences between the House and Senate versions of H.R. 14225.

EXECUTIVE BRANCH NEWS

Heads Office for Handicapped

Stanley B. Thomas, Jr., assistant secretary for human development, has announced the appointment of Wallace K. Babington as director of the Office for the Handicapped in HEW.

"I am convinced that under Wallace Babington's direction the newly established Office for the Handicapped will truly serve the needs of this vulnerable segment of our nation's citizens," Assistant Secretary Thomas said. "Throughout his career, Wallace Babington has been noted for his commitment and dedication to the concerns of the handicapped."

The new Office for the Handicapped, which was authorized by the Rehabilitation Act of 1973, was created to deal more effectively with the special needs of the nation's millions of handicapped citizens and to foster coordination of all federal programs to serve them.

Under Mr. Babington's direction the new office, which he has headed as acting director since it was established, will prepare a long-range plan for the provision of effective services for the handicapped; analyze and evaluate the effectiveness of programs for the handicapped; encourage coordination and cooperative planning among programs serving the handicapped; and provide a central clearinghouse for information and resources available to handicapped people.

Prior to his current position, Mr. Babington served as executive director of the Secretary's Committee on Mental Retardation in HEW, and he continued in that capacity when that designation was changed to Office of Mental Retardation Coordination. As executive director, Mr. Babington coordinated HEW's policies, programs, procedures, and interagency activities relating to mental retardation.

Mr. Babington is a native of New Orleans and a graduate of Centenary College. He received the Master of Divinity degree from Duke University Graduate School and attended American University and Princeton for additional graduate studies.

New MSA Commissioner

The appointment of Dr. M. Keith Weikel, 36, as commissioner of the Medical Services Administration (MSA) in HEW's Social and Rehabilitation Service was announced by SRS Administrator James S. Dwight, Jr.

In his new post, Dr. Weikel will administer the Medicaid program (Title XIX of the Social Security Act) which provides medical assistance to 27 million persons, with a budget of about \$10 billion in federal and state funds.

Dr. Weikel was associate administrator for Planning, Evaluation, and Legislation in HEW's Health Services Administration immediately prior to joining SRS. Earlier, he served as director for health evaluation in the Office of the HEW Assistant Secretary for Planning and Evaluation.

Before joining the federal government in 1970, he was connected for six years with Hoffman LaRoche, a pharmaceutical manufacturer in Nutley, New Jersey, specializing in health economics.

Dr. Weikel received a Ph.D. in economics and business administration from the University of Wisconsin, where he taught for one year. He also taught for a year at the Philadelphia College of Pharmacy and Science, from which he was graduated.

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AMERICAN FOUNDATION FOR THE BLIND



IRVIN P. SCHLOSS EDITOR

washington report

CONGRESSIONAL NEWS

Congress Overrides Rehab Bill Veto, Reenacts Identical Bill

By overwhelming majorities far in excess of the required two-thirds of members present and voting, both the House of Representatives and the Senate voted to override the President's veto of H.R. 14225, a bill extending the Rehabilitation Act of 1973, improving the Randolph-Sheppard Act for the blind, and authorizing a White House Conference on Handicapped Individuals.

In the House of Representatives on November 20, the vote was 398 against the veto to seven in favor of the President. Twenty-nine members of the House were absent, while the Speaker, as the presiding officer, did not vote. The seven House members voting to sustain the veto were all lame duck Republicans defeated in the November 5 election or not standing for reelection.

In the Senate on November 21, the vote was 90 in favor of overriding to one for sustaining the veto, Senator William Scott (R.-Va.). Of the remaining nine members of the Senate who were absent for a variety of reasons, most could have been expected to vote in favor of overriding the veto.

The President vetoed H.R. 14225 on October 29, the 10th legislative day (not counting Sundays) after he had received the bill from the Congress, which was in recess for the elections from October 17 to November 18. In returning the bill to the Congress unsigned, the President accompanied it with a Memorandum of Disapproval in which he described his objections to the legislation and indicated that he considered his disapproval a "pocket veto."

According to the Constitution, a "pocket veto" occurs when the President fails to sign a bill within 10 legislative days (excepting Sundays) after he has received it and is prevented from returning the bill because the Congress has adjourned. By their decisive override votes on November 20 and 21, both houses of the Congress on a

bipartisan basis treated the President's veto as a straight veto during a recess rather than as a "pocket veto" during a *sine die* adjournment. In a special message to the Congress on November 18, Mr. Ford reinforced his view that his failure to sign H.R. 14225 constituted a "pocket veto," which the Congress has no constitutional right to override.

On November 25, an identical bill, H.R. 17503, was introduced in the House of Representatives and reported by the Committee on Education and Labor on November 26. By voice votes, the House of Representatives and then the Senate passed H.R. 17503 that same day and sent it to the President. Although Mr. Ford indicated that he would allow the bill to become law without his signature, he signed H.R. 17503 on December 7, as Public Law 93-516.

Veto Message

In a news release issued on October 29, President Ford stated:

I am today returning, without my approval, H.R. 14225, the Rehabilitation Act and Randolph-Sheppard Act Amendments of 1974, and the White House Conference on Handicapped Individuals Act. I am advised by the attorney general and I have determined that the absence of my signature from this bill prevents it from becoming law. Without in any way qualifying this determination, I am also returning it without my approval to those designated by Congress to receive messages at this time.

The Vocational Rehabilitation Amendments of 1974 pose some fundamental issues which far transcend this particular bill. No group in our country is more in need of supportive services than the handicapped. Our handicapped citizens have demonstrated time and again that, given a fair break, they can lead as full and productive lives as other citizens.

Throughout my years in Congress I consistently supported good federal programs designed to assist the handicapped.

During the last two years spending on the basic grant programs for Vocational Rehabilitation has grown from \$589 million to \$680 million. The key issue posed by this bill is not how much money will be spent. The issue posed is how well the programs will be run.

This bill passed the House of Representatives without any hearings. Had hearings been held, we would have explained the disruption that

would result from such a massive legislative incursion into the administration of a program.

The Congress has the responsibility to legislate, but I have the responsibility for the successful administration of the programs they enact. This bill is an attempt to administer through legislation. It transfers a program from one part of HEW to another for no good reason—indeed for very bad reasons. It dictates where in HEW minute decisions must be made, it creates independent organizational units at subordinate levels that are wasteful and duplicative, and it sets up a monitoring process for the construction and modernization of federal facilities that would force me to create a new 250-man bureaucracy in HEW to duplicate functions carried out elsewhere in the Executive branch.

Most importantly, the bill blurs accountability. I cannot be responsible for the good management of all federal programs if I cannot hold my cabinet secretaries accountable. Under this legislation accountability would be diffused. I find myself obliged to return to the Congress unsigned a bill that would disrupt existing federal programs and ill serve the needs of our nation's handicapped citizens. The present vocational rehabilitation legislation does not expire until mid-1975.

Plenty of time remains for us to work out a bill which will improve federal programs for the handicapped rather than create the disruptions that will inevitably result from this hastily drawn piece of legislation. I have requested HEW Secretary Weinberger to meet with congressional leaders immediately upon their return to initiate this process.

During the debate on November 20 prior to the House vote to override the President's veto, Rep. John Brademas (D.-Ind.), chairman of the Select Subcommittee on Education of the House Committee on Education and Labor, countered the arguments in the President's veto message as follows:

... The bill does not, as the President claimed, "dictate where in HEW minute decisions must be made."

Apart from the transfer of RSA—which administers a major program and makes not minute decisions but major policy determinations affecting millions of handicapped Americans—the bill makes no organizational changes in the Department of Health, Education, and Welfare.

The bill does not, as the President asserted, create "independent organizational units at subordinate levels that are wasteful and duplicative."

As I have explained, Mr. Speaker, the bill transfers one major office within the Department of Health, Education, and Welfare, but creates no new subordinate offices.

The bill does not, as the President claimed, set up a "monitoring process for the construction and modernization of federal facilities that would force me to create a new 250-man bureaucracy in HEW."

There is simply no such requirement in the bill, Mr. Speaker, and the drafters of this legislation never conceived of creating a new bureaucracy with 250 people in it.

Indeed, I hasten to point out that the objection is a fabrication of the imagination of the President or his advisors. For today only 169 people work in the Rehabilitation Services Administration and we have added no new functions to their responsibilities that would require such an increase in the work force in the agency.

I should also stress, Mr. Speaker, that the Committee on Education and Labor has encountered such enormous difficulties with the bureaucracy in HEW with respect to the rehabilitation program that the furthest thing from our minds would be the recommendation of a new layer of bureaucracy.

Let me say a few words, Mr. Speaker, about the transfer of the Rehabilitation Services Administration from the Social and Rehabilitation Service to the Office of the Secretary of the Department of Health, Education, and Welfare.

First, as the committee reports of the House and the Senate made clear, the rehabilitation program, unlike the other programs within SRS, is a human development program.

The other programs operated within SRS are oriented primarily towards public assistance. Congress decided therefore that SRS was not the appropriate agency for the rehabilitation program.

I want to stress, second, Mr. Speaker, that in following the line of reasoning outlined above, Congress was implementing a suggestion first proposed by the administration of Richard Nixon.

My colleagues will recall, I am sure, that in 1971 the administration submitted a number of bills to the 92nd Congress to reorganize the federal bureaucracy.

These proposals were first generated by the Ash commission, which studied government organization for the federal government. Mr. Ash is now director of the Office of Management and Budget. One of these proposals, H.R. 6961, was a bill to create a Department of Human Resources which would have included three major agencies: the Human Development Administration, the Health Administration, and the Income Maintenance Administration.

The result of this administration plan for the Social and Rehabilitation Service, Mr. Speaker, would have been to move rehabilitation, aging, and juvenile delinquency from SRS to the Human Development Administration and to merge SRS's remaining welfare programs with the social security program into the Income Maintenance Administration.

Clearly, Mr. Speaker, the services programs of SRS were to be separated from the welfare and medicare programs. That was one of the major conceptual changes in the organization of the department and that was precisely what this legislation tried to accomplish.

As a result, the veto of H.R. 14225 on the ground that the Executive should be able to manage its organizational problems without legislation, seems ill-advised. First, H.R. 14225 only seeks to accomplish some of the objectives of the administration's own bill on the reorganization of HEW. Second, as the reorganization bills establish, the administration desired to remove rehabilitation from SRS and the welfare programs. Third, the reorganization bills recognize the need for congressional participation in organizational decisions and that the question is not one of Executive power alone.

Finally, Mr. Speaker, I must point out yet another sound reason for moving this program—which for so long has meant so much to so many—from SRS into the Office of the Secretary.

I refer to what I can only call a shocking and scandalous pattern within SRS of mismanagement and flagrant disregard of the law with respect to the rehabilitation program.

Consider, Mr. Speaker, the following facts which came to light during our oversight hearings and subsequently:

The Department seriously considered phasing out the rehabilitation program and replacing it with a cash assistance scheme so that handicapped people might purchase the services and equipment they need. The written memorandum proposing this scheme acknowledged

that congressional approval by law would be required but suggested administrative implementation of the plan without legislation.

The Social and Rehabilitation Service forced RSA to ignore the statutory requirement that identifiable agencies within each state be responsible for federal rehabilitation funds. SRS, that is to say, forced RSA to break the law.

Today, fully 15 months after the Rehabilitation Act of 1973 was enacted, regulations to implement the law have not been published. The program is, therefore, operating under the regulations designed to implement the now-expired Vocational Rehabilitation Act.

The Rehabilitation Services Administration operated for one full year without a Commissioner.

Finally, Mr. Speaker, I must tell my colleagues that in August the Civil Service Commission issued a report ending a one-year investigation of SRS that indicated widespread violations of federal law with respect to hiring personnel and the merit principles of government service.

Because of these violations, the Civil Service Commission has suspended the right of James S. Dwight, Jr., administrator of SRS, to hire personnel above the GS 13 level.

... given the sorry history of the rehabilitation effort under the administration of SRS, I must tell you that I find it difficult to believe the program could fare worse under a different administrative arrangement.

If you think I exaggerate, Mr. Speaker, consider the following startling figure: according to a memorandum issued by this administration, successfully closed rehabilitation cases are down 45 percent during this fiscal year over the comparable period last year.

To repeat, Mr. Speaker, because of the mismanagement of this important program, the successful rehabilitation of handicapped Americans for employment has been cut almost in half.

Surely the President cannot seriously assert that it is Congress that is disrupting the program.

Rehabilitation Act Amendments of 1974

Title I of H.R. 17503, the Rehabilitation Act Amendments of 1974, does the following:

1. Statutorily establishes the Rehabilitation Services Administration in the Office of the Secretary of HEW.

2. Requires Presidential appointment and Senate confirmation of the commissioner of RSA, who shall be directly responsible to the secretary, the under secretary, or an appropriate assistant secretary designated by the secretary.

3. Except for Titles IV and V of the Rehabilitation Act of 1973 as amended and provisions of the Act specifying otherwise, requires that RSA and the commissioner shall be the principal agency and officer in HEW for carrying out the Act.

4. Prohibits the delegation of any functions of the commissioner to any officer not directly responsible to him.

5. Extends the authorization of appropriations for the basic grants to the states program of vocational rehabilitation for one year through June 30, 1976, at \$720 million.

6. Extends the authorization of appropriations for innovation and expansion grants for one year through June 30, 1976, at \$42 million.

7. Authorizes an appropriation for the client assistance program of up to \$2.5 million but not less than \$1 million for FY 1976.

8. Authorizes an appropriation for FY 1976 of \$32 million of which 25 percent shall be for the support of Rehabilitation Engineering Research Centers.

9. Authorizes an appropriation for training of rehabilitation personnel for FY 1976 of \$32 million.

10. Extends the authorization of appropriations for construction of rehabilitation facilities through June 30, 1976, without a specific authorization.

11. Extends the authorization for vocational training service in rehabilitation facilities through June 30, 1976, without a specific dollar authorization.

12. Authorizes appropriations of \$20 million for FY 1976 for special projects and demonstrations.

13. Extends the authorization for the National Center for Deaf-Blind Youths and Adults through June 30, 1976, without a specific dollar authorization.

14. Extends the authorization of appropriations for program and project evaluation through June 30, 1976, without a specific dollar amount.

15. Extends the authorization of appropriations for the Office for Handicapped Individuals in the Office of the Secretary of HEW through FY 1976 at \$600,000.

16. Authorizes appropriations of \$1.5 million for FY 1976 for the Architectural and Transportation Barriers Compliance Board.

17. Broadens the definition of "handicapped individual" for the purposes of Titles IV and V of the Rehabilitation Act of 1973 as amended. This principally affects provisions concerning the functions of the Office for Handicapped Individuals, the affirmative action program to facilitate employment of handicapped persons in the Federal Civil Service, the affirmative action program to foster employment of handicapped persons by government contractors, and the prohibition of discrimination against handicapped individuals in federally assisted programs.

18. Requires state agencies and facilities receiving financial assistance under the Act to institute an affirmative action program for the employment of handicapped individuals.

19. Requires the secretary to obtain detailed information from state agencies on the reasons for individuals being declared ineligible for rehabilitation services in accordance with the individualized written rehabilitation program provisions of the Act and requires state agencies annually to review each ineligibility determination. The

bill also strengthens other provisions relating to the individualized written rehabilitation program.

20. Extends the deadline to June 30, 1975 for submission to the Congress and the President of the secretary's report and recommendations for meeting the comprehensive service needs of the most severely handicapped individuals.

21. Includes authorization for special project grants to make recreational facilities accessible to handicapped individuals.

22. Adds Department of Defense representation to the Architectural and Transportation Barriers Compliance Board (ATBCB), designates the secretary of HEW as chairman of the Board, requires a Consumer Advisory Panel to the Board composed of a majority of handicapped individuals; and requires staffing of the Board.

23. Authorizes ATBCB to make grants and contracts with public and other nonprofit organizations to carry out its comprehensive functions designed to eliminate barriers which make accessibility difficult for handicapped individuals in housing, public facilities, and transportation.

24. Strengthens compliance procedures of the ATBCB by authorizing withholding of funds.

Randolph-Sheppard Act Amendments

Title II of the bill, the Randolph-Sheppard Act Amendments of 1974, does the following:

1. Grants blind persons licensed by state licensing agencies a priority instead of "preference" in the operation of vending facilities on federal property.

2. Requires the secretary of HEW through the commissioner of RSA, after consultation with the heads of agencies controlling the operation of federal property, to prescribe regulations to implement the Act.

3. Requires the secretary of HEW to make the final determination when a vending facility cannot be installed on federal property because it "adversely affects the interests of the United States" and to publish in the *Federal Register* details of his decision.

4. Requires RSA to be the principal agency for carrying out the Act and requires the commissioner to establish nationwide uniform procedures within 180 days of enactment for its administration.

5. Updates various provisions of the Act by changing the term "vending stand" to "vending facility," eliminates the age 21 requirement for a vending facility operator, and gives the state licensing agency authority to determine what items may be sold. Specifically authorizes sale of lottery tickets in states where state lotteries are legal.

6. Requires periodic evaluation of the program authorized by the Randolph-Sheppard Act, including "upward mobility" and other training of vending facility operators.

7. Eliminates the residence requirement for vending facility operators and strikes out "but are able, in spite of such infirmity, to operate such stands."

8. After January 1, 1975, requires the secretary of HEW in consultation with the state licensing agency and the head of an agency controlling federal property to assure provision for a vending facility site on all federal property acquired by ownership or lease and in federal buildings newly constructed or substantially altered or renovated, unless it is determined that the property will not support a vending facility operated by a blind person, or in the case of leased space, there is in existence at the time the lease is made a food service facility in the building with which the vending facility would be considered competitive.

9. Requires the state licensing agency under the Randolph-Sheppard Act to be the state agency providing vocational rehabilitation services to blind persons.

10. Authorizes the use of set aside funds for "retirement or pension funds, health insurance contributions, and provision for paid sick leave and vacation time," in accordance with a majority vote of blind operators.

11. Statutorily requires set aside funds to be based on the net proceeds from a vending facility.

12. Following administrative review, authorizes arbitration of disputes between aggrieved blind vending facility operators and state licensing agencies, with proceedings of the arbitration procedure to be published in the *Federal Register*, and authorizes judicial review of the arbitration procedure.

13. Authorizes arbitration in the case of disputes between state licensing agencies and agencies controlling federal property, with proceedings to be published in the *Federal Register*. Authorizes judicial review of the arbitration procedure.

14. With exceptions, requires that, after January 1, 1975, 100 percent of income from vending machines on federal property in direct competition with a blind vending facility shall be distributed to a blind vending facility operator on that property or the state licensing agency. Authorizes the commissioner of RSA to set a ceiling on vending machine income to a blind licensee, with a proviso that such income shall not be less than it was on January 1, 1974, and that the excess shall accrue to the state licensing agency. No ceiling on vending machine income may be established for a blind licensee operating a number of vending machines as a vending facility. "Direct competition" is defined to cover vending

machines operated on federal property where there is a blind vending facility except for machines in areas, such as Post Office "swing" rooms and work rooms, where the majority of employees do not have access to the blind vending facility. Provides that 50 percent of vending machine income on federal property not in direct competition with a blind vending facility shall accrue to the blind licensee or the state agency, except that 30 percent of such machine income shall so accrue in cases where the majority of federal employees work other than normal business hours, such as postal installations.

15. Excludes vending machines operated by armed services exchanges and ships stores as well as by the Veterans Canteen Service from income distribution to blind operators and state agencies. Also excludes from the same income distribution formula vending machines on federal property not in direct competition with blind operators when the income from the machines does not exceed \$3,000 annually.

16. Requires the head of each agency controlling federal property to be responsible for compliance with the vending machine income provisions of the Act and for the collection of and accounting for vending machine income.

17. Specifies that all vending machine income accruing to state licensing agencies shall be used "to establish retirement or pension plans, for health insurance contributions, and for provision of paid sick leave and vacation time for blind licensees in such state, subject to a vote of blind licensees . . ." Vending machine income in excess of that used for the previously mentioned purposes shall be used for the regular set aside purposes specified in the Act.

18. Authorizes the establishment of cafeterias on federal property under the program subject to the approval of the commissioner of RSA and the head of an agency controlling the federal property on a case-by-case basis.

19. Provides that preexisting arrangements for vending machine income distribution to blind licensees shall not be adversely affected by the income distribution formula specified by the new amendments.

20. Requires the commissioner to insure adequate training programs for blind persons employed under the Act and to insure "upward mobility" and other training services to enable blind licensees to achieve their maximum vocational potential.

21. Directs the secretary of HEW to assign 10 additional full-time employees, including five supportive personnel, to the Office for the Blind and Visually Handicapped in RSA to carry out duties related to the administration of the Randolph-Sheppard Act. In addition, the secre-

tary is authorized to assign one additional supergrade employee (GS-16,-17, or -18) to the Office for the Blind and Visually Handicapped. The secretary is directed to give preference to blind persons in assigning personnel to that Office.

22. Requires state agencies to provide relevant financial data about the operation of the program in that state to each blind licensee.

23. Requires each state agency to conduct a biennial election of a committee of blind vendors which shall have the responsibility of "participation, with the state agency, in major administrative decisions and policy and program development, receiving grievances of blind licensees and serving as advocates for such licensees." The committee will also participate, with the state agency, in the development and administration of a transfer and promotion system for blind licensees and for their training and retraining.

24. Directs the secretary, through the commissioner, to promulgate national standards for set aside funds after a six-month study during which state licensing agencies and blind vendors will be consulted.

25. Directs the secretary to conduct a study of the "feasibility and desirability of establishing a nationally administered retirement, pension, and health insurance system for blind licensees" and to report the results of the study to the President and the Congress within one year of enactment of this Act.

26. Directs the secretary to complete by September 30, 1975, an evaluation of the method of assigning vending machine income, "including its effect on the growth of the program authorized by the Act and on the operation of nonappropriated fund activities," and to report his findings to the Congress within 30 days after completion of the study.

27. Authorizes the comptroller general of the United States "to conduct regular and periodic audits of all nonappropriated fund activities which receive income from vending machines on federal property . . ." and authorizes him to have access to all relevant records and documents.

White House Conference

H.R. 17503 authorizes the President to call a White House Conference on Handicapped Individuals within two years of the enactment of the bill for the purpose of stimulating a national assessment of problems of the handicapped and developing solutions for those problems. The Conference is to be planned and conducted by a National Planning and Advisory Council appointed by the secretary and composed of 28 members, including 10

handicapped individuals and five parents of handicapped individuals.

The White House Conference itself is to be preceded by local and state conferences of handicapped individuals to cover a wide range of subjects concerning the adequacy of services to the handicapped. The final report of the Council is to be submitted to the President and the Congress within 120 days after the Conference is completed.

The bill authorizes an appropriation of \$2 million for a White House Conference and such additional sums as may be necessary for grants to the states of between \$10,000 and \$25,000 for preliminary conferences.

EXECUTIVE BRANCH NEWS

MacFarland Decorated by Tunisia

At a special ceremony at the Embassy of Tunisia in Washington on November 21, Dr. Douglas C. MacFarland, director of the Office for the Blind and Visually Handicapped in the Rehabilitation Services Administration, was awarded the Order of the Republic (grade of officer). The decoration was presented by Ambassador

Ali Hedda on behalf of President Habib Bourguiba for Dr. MacFarland's moral and material support given to the activities of the National Union of the Blind of Tunisia in helping the blind of that country. In presenting the medal, Ambassador Hedda pointed out that only 12 other Americans had been given this decoration.

In Memoriam: Robert S. Bray

Robert S. Bray, 59, who retired in 1972 as chief of the Division for the Blind and Physically Handicapped of the Library of Congress, died of cancer at his home in Sanibel, Florida on November 26. Mr. Bray headed the national library program for 15 years and was responsible for significant expansion of the service. In recognition of his outstanding contribution to the improvement of library service for the blind and physically handicapped, he was awarded the Migel Medal of the American Foundation for the Blind in 1963, the Apollo Award of the American Optometric Association in 1968, the Distinguished Service Award of the Library of Congress in 1969, and the Shotwell Award of the American Association of Workers for the Blind in 1973. He is survived by his wife, four sons, and two grandchildren.

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